Daily Report

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CONTENTS

CARIBBEAN

Cuba

Castro Attends 3d Havana Enterprise Meeting 1
Risquet Cited on Angola-Namibia Peace Talks *[Lisbon]* 1
Melendez Speaks at Harare Nonaligned Meeting 2

Caricom

Further Reports on Heads of Government Summit 2
Trade Proposals Endorsed 3
Sandiford on Export Bank 4
U.S. Drug Policies Condemned 4
No Consensus on Haiti's Status 5
Dominica's Charles on Haiti 5

Haiti

Government in Exile Said Under Discussion 6

MEXICO

Federal Electoral Commission Meeting Postponed 7
CFE's Bartlett on Delays 7
Defense Secretary Reports Voting Peaceful 7
Presidential Candidates Claim Election Victory 7
PRI's Salinas 7
Cardenas of FDN-PMS *[DPA]* 8
PAN's Clouthier *[EFE]* 8
CFE Statement Says No Election Results Issued 9

CENTRAL AMERICA

El Salvador

Government Submits Bill on Emergencies 10
Reaction to Draft Bill 10

Guatemala

URNG Reiterates Willingness for Dialogue *[EL GRAFICO 6 Jul]* 11

Honduras

Military Spokesman Denies Armed Forces Purge 11

Nicaragua

Ortega on Economy, Reagan 'Terrorist Policies' 12
San Jose Radio on Possible RN-Ortega Meeting *[Radio Impacto]* 15
Contras Kill Two EPS Reservists in San Gabriel 15
Intelligence Chief on Shultz, Contra Stations 15
Appeal Planned in Secret Documents Case *[LA PRENSA 30 Jun]* 16
Opposition 'Has Nothing To Celebrate' *[BARRICADA 6 Jul]* 17
Government To Subsidize Workers' Basic Products 17

Panama

FDP Spokesman Views Relations With U.S. Forces *[Buenos Aires REUTER]* 17
PDC Reportedly Plans Subversive Activities 18
Solis Condolences on Death of Delvalle's Mother *[LA ESTRELLA DE PANAMA 7 Jul]* 18

SOUTH AMERICA

Argentina

Alfonsin Signs Secret Decree; Army Benefits *[BUENOS AIRES HERALD 7 Jul]* 19
President Alfonsin Addresses Stock Exchange 20
Alfonsin Meets Italian Vice Foreign Minister 20
Seven Officers Sent Into Retirement *[LA PRENSA 7 Jul]* 21
ROK Envoy on Relations, Immigration, Olympics 21
Caputo Meets Beninese Ministerial Delegation 21
Charges Filed Against Candidate Angeloz 21
Party Leader Officially Launches Campaign 22
Public Works Minister Attacked by 'Mobsters' *[BUENOS AIRES HERALD 6 Jul]* 22

Bolivia

Minister Announces Program for Coca Regions 22
COB Coca Adviser Warns Against New Bill 22
Law Harmful to Production 23

Brazil

Texaco Abandons Exploitation of Oil Well *[VEJA 6 Jul]* 23
Government To Grant Amnesty to South African 23

Chile

Minister Calls on Opposition To Consider Ideals *[EFE]* 23
European Parliament Decision Called 'Grotesque' 24
Official Comments on Decision 24
Military Judge on Objectives of Rebel Groups *[EL MERCURIO 27 Jun]* 25
Labor Leader Questions Motives Behind CUT 25
Police Detain FPMR Leader Escobar 25
Nine Held in Attempted Bombing; Three Injured 26
Bomb Damages Municipal Building in Santiago 26

Colombia

Government Willing To Talk With M-19 26
Senator Discloses Proposals 26
Businessmen Reject Dialogue *[AFP]* 27
ELN Attacks Pipeline Near Sogamoso 27

Venezuela

President Delivers Independence Day Speech 27
New Candidate Registers for Elections 29
Minister Denies Guerrillas Regrouping 29

Cuba

Castro Attends 3d Havana Enterprise Meeting

FL0707145488 Havana Radio Reloj Network in Spanish 1403 GMT 7 Jul 88

[By Jaime Porcel Prado]

[Text] With the presence of Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers, the third meeting of Havana enterprises has begun in the Karl Marx Theater.

The meeting is attended by leaders of management, the party, Union of Young Communists, and trade unions. They will discuss the most important matters that influence the functioning of enterprises and the quality of services and goods produced.

This third meeting will concentrate on economic control, such as the use of accounting, material consumption, production costs, and personnel rosters. Other topics to be discussed include each person's qualifications for the position he occupies, the substitution of imports, and general skills, as well as matters related to economic efficiency.

Risquet Cited on Angola-Namibia Peace Talks

LD0507092188 Lisbon Domestic Service in Portuguese 2205 GMT 4 Jul 88

[From the "24th Hour" program]

[Excerpts] [Announcer] A new quadripartite conference on Angola will be held at the end of this month if all goes well at the experts' meeting scheduled for 11 July in New York. This was stated in Lisbon today by Jorge Risquet, member of the PCC Politburo, who is here to brief the Portuguese authorities on the latest developments concerning the Angolan question.

Risquet expressed optimism about the possibility of achieving an agreement on the independence of Namibia by 29 September, the anniversary of UN Resolution No 435 on Namibia. [passage omitted]

Jorge Risquet outlined in detail the latest proposal for the withdrawal of Cuban troops from Angola, subject to the implementation of Resolution No 435 and also to a guarantee that South African military intervention of any kind will cease.

The Cuban troops—the total number of whom Risquet declined to specify—would all start withdrawing from southern Angola to the north of the 13th parallel 15 days after the arrival of a multinational UN peacekeeping force on the Namibian border. The Cuban withdrawal would be reciprocated by a withdrawal of South African forces into Namibia.

Between 13 and 24 months from that date, 20,000 Cuban troops would leave for Havana. The remainder would leave for home between 30 and 48 months from that date. [passage omitted]

Risquet denied rumored differences of opinion between Havana and Luanda concerning military operations in southern Angola, and said that both his country and the Angolan Government wish to achieve a negotiated and honorable solution which will ensure peace and security in southwest Africa.

[Begin Risquet recording in Spanish with superimposed Portuguese translation] It is the wish of both Angola and Cuba to secure through negotiations a just and honorable solution that will give independence to Namibia, security to Angola, and peace to southwest Africa. [end recording]

[Announcer] Risquet said that his country's proposal for troop withdrawal might still be subject to some changes provided that the South Africans adopt an attitude of openness.

[Begin Risquet recording] The proposals are firm but not inflexible. [words indistinct] I believe that they might be liable to small amendments. [end recording]

[Announcer] A draft agreement on peace in Angola and independence for Namibia might begin to be outlined by the four delegations by the end of this month provided the meeting of experts charged with drafting the general principles for such an agreement, scheduled for 11, 12, and, if necessary, 13, July in New York, proves successful. [passage omitted]

Risquet also mentioned the attack on the Calueque dam in southern Angola and expressed the belief that the intensification of the fighting would not hinder the peace negotiations. He pointed out that all peace negotiations are carried out on the basis of positions conquered on the ground.

The head of the Cuban delegation described last week's fighting around Calueque as an adequate response to South African provocations and attacks on the 26 and 27 June, that is to say, immediately after the Cairo talks.

[Begin Risquet recording] The fighting that took place in southern Angola on Sunday, 26 [June] and Monday, 27 [June] consisted of the following: On 26 June a concentration of South African troops was detected in the Calueque-Ruacana area. [passage omitted] There was an artillery attack against Angolan-Cuban positions in Tchipa on 26 June. [passage omitted]

After the artillery attack there was an advance by an South African forward detachment, consisting of six Kaspir trucks, toward the Angolan-Cuban positions in Tchipa. This vanguard unit was destroyed. Four trucks were destroyed, a fifth was captured empty—its crew having fled—and the sixth turned back and escaped.

Moments later the South Africans sent forward a larger detachment. This detachment's advance was halted by the Angolan-Cuban air force. [end recording]

Melendez Speaks at Harare Nonaligned Meeting

FL0707152888 Havana Radio Reloj Network in Spanish 1417 GMT 7 Jul 88

[Text] Ernesto Melendez, minister president of the Cuban State Committee for Economic Cooperation, has reiterated that the foreign debt of underdeveloped countries is not payable.

During the plenary session of the nonaligned countries' permanent ministerial committee for economic cooperation in Harare, Melendez said that those countries' efforts to increase exports have been shattered by protectionist tariffs.

The head of the Cuban delegation also referred to the constant fall of prices for basic goods produced in the Third World in markets controlled by large transnational firms. Melendez referred to the negative practices maintained by developed capitalist countries against agricultural products. He also mentioned the need for a new international economic order and renewal of North-South talks which are being blocked by the United States.

Caricom

Further Reports on Heads of Government Summit

FL0707143388 Bridgetown CANA in English 1951 GMT 5 Jul 88

[By Sandra Baptiste]

[Text] St John's, Antigua, July 5, CANA—The regional private sector grouping says the repeated failure of Caribbean Community (Caricom) countries to adhere to agreed deadlines for liberalising trade, is causing "a serious loss of credibility" to the regional common market.

A delegation from the Barbados-based Caribbean Association of Industry and Commerce (CAIC) made this observation before the Caricom heads of government summit here, as the business organisation urged the leaders to ensure the implemention of the latest free trade by the agreed October 1 target date.

CAIC President Hollis Bristol and Executive Director Pat Thompson made a presentation about private sector concerns to the first working day of the four-day summit, involving heads of government of the 13-nation community.

"...The practice which has grown up in recent years of postponing implementation dates originally agreed to unanimously, or of implementing such decisions only partially, is resulting in a serious loss of credibility, within and outside of Caricom, about the region's will and ability to operate a genuine common market arrangement," said the CAIC statement.

The private sector organisation also called for mechanisms to be put in place to assist the growth of regional exports and for a reduction in corporation tax rates. The heads of government have also been asked to examine problems in regional trading relationships arising from currency devaluations.

CAIC said it was in favour of keeping the October 1 free trade plan on track with an agreed and published derogation list of products from Caricom's less developed countries (LDCS), to be afforded protection from competing products from the grouping more developed countries (MDCS).

"The nature of such temporary protection whether licensing, quantitative restrictions, or some form of tariff should be clearly stated in each case," CAIC said.

"CAIC hopes that any such agreed derogation list will be relatively short and applicable for a reasonably limited duration only."

CAIC reported that it continues to receive complaints from manufacturers across the region about trade in several items on a list agreed on last October for unrestricted free trade. These products, CAIC said, were not granted any derogations but continued to be adversely affected by the use of licences or quantitative restrictions or both.

The heads of government were urged again to take steps to resuscitate the Caricom Multilateral Clearing Facility (CMCF), the trade payments mechanism that collapsed in 1983.

"It is clear to all that when the CMCF was in operation that trade in the Caribbean blossomed," the CAIC president told a news conference after the meeting, which was held jointly with the Barbados-based Caribbean Congress of Labour (CCL).

"Any restarting of the CMCF would have to rest on clearly defined settlement rules and mandatory procedures in the events of a breach of the facility's regulations by any country," CAIC suggested.

The facility had collapsed largely under the weight of Guyana's indebtedness to Barbados.

CAIC suggested that external funding to help restart the CMCF be sought from Japan or one of the Scandinavian countries.

In respect of its call for reduced corporation tax, CAIC said: "one basic policy would be for governments in the region to discriminate positively in terms of lower rates on corporation profits earned from extra-regional exports.

"Although there are some technical problems to be overcome in calculating such profits, CAIC does not believe that those problems are insuperable."

The private sector body asked that governments examine the most efficient means of making export trade credit and financing options available, on reasonable conditions, to regional exporters. In addition, CAIC stressed the need for funding for technical assistance and training for regional exporters and access to equity funding and urged that the private sector be consulted on studies being conducted in this area.

CAIC also urged that consideration be given to the suggestion from a Barbados Central Bank senior official that Caricom countries which devalue their currencies, operate two exchange rates for a limited period like six months. The first rate, CAIC explained, would be the officially-adjusted exchange rate for transactions with the rest of the non-Caricom world. The second rate would be a special rate for Caricom transactions, which would represent a previously agreed level of depreciation on the current pre-devalued rate, of the order of 10 to 15 percent for a six-month period.

The special temporary rate is designed to minimise or cushion the trade disruption which normally ensues in the period immediately following an official devaluation. After that agreed, limited period, the rate would be unified at the officially devalued rate," CAIC said.

The exchange rate proposal was suggested by the director of research at the Barbados Central Bank, Dr Delisle Worrell.

Trade Proposals Endorsed

FL0607010388 Bridgetown CANA in English 2224 GMT 5 Jul 88

[By Sandra Baptiste]

[Text] St John's, Antigua, July 5, CANA—Caribbean Community (Caricom) leaders endorsed proposals on Tuesday that the October 1 target date be maintained for completing a virtual free trade common market.

On the first working day of their annual summit, the leaders were however unable to reach agreement on a proposal for granting certain industries a three-year period of protection in the market, Antigua and Barbuda's Foreign Minister Lester Bird reported.

They left a decision to the grouping's council of ministers who meet in special session in September.

Bird, who is his country's deputy prime minister, said some heads of government expressed concern that protected industries may encourage the private sector to increase the cost of the goods instead of passing on the benefits to consumers. Bird said there was a willingness to press ahead with the free trade timetable to ensure that the meeting did "not engage in just rhetoric and oratory."

"I think that is why we reverted to the position of moving towards unrestricted trade and all the derogations can be worked out in the meantime establishing the basic thing is that we want free trade in the meantime," Bird said.

"Barbados has full confidence that there is a fund of goodwill through the community for the movement of free trade and the OECS [Organization of Eastern Caribbean States] countries themselves are in agreement with that and I have every reason to believe that subject to the derogations that they will be raising that this regime will come into effect," said Barbados prime minister, Erskine Sandiford shortly after the leaders broke for lunch.

The council of ministers, which met prior to the summit, is comprised essentially of trade ministers and is the second highest decision-making body in Caricom.

Bird said the leaders, who met on Tuesday with the regional private sector and trade union movement, discussed the question of resuscitating the Caricom Multilateral Clearing Facility (CMCF), the payments clearinghouse for intra-regional trade which collapsed in 1983 under the weight of Guyana's debts.

"Until those are paid off I suspect the central banks in most of the respective countries would have some difficulties in reintroducing the CMCF," Bird said.

Barbados is owed U.S.57.6 million dollars under the facility by Guyana.

The conference, Bird said, recommended that the council and CAIC [Caribbean Association of Industry and Commerce] discuss ways of restoring the facility. Bird said the heads of government agreed in caucus that Anguilla be permitted to sit in as observer in both the caucus and plenary sessions to allow the British colony to determine whether it wants full membership of Caricom. Bird said while no date has been set for next year's summit, Grenada will be hosting the 1989 meeting and Dominica has indicated that it was interested to hosting the 1990 heads of government conference.

He said among the matters identified for discussions in caucus, beginning on Tuesday afternoon, were participation by Haiti and Dominican Republic in the successor trade and aid arrangements with Europe from which the region benefits, the operations of the regional commuter airline, LIAT; an air transport agreement between Eastern Caribbean governments and Britain and the establishment of a Caribbean court of appeal and human rights commission. The heads will also discuss awarding common Caricom citizenship for outstanding Caricom nationals, and applications for observer status on Caricom committees by the Netherlands Antilles and the Turks and Caicos and on the transport ministerial committee by Suriname.

The plenary will address among other things the performance of intra-regional trade and the establishment of the Caribbean Export Bank.

Sandiford on Export Bank

FL0607010888 Bridgetown CANA in English 2301 GMT 5 Jul 88

[By Sandra Baptiste]

[Excerpts] St John's, Antigua, July 5, CANA—Barbados said on Tuesday it had "considerable reservation" about the financing and operations of the proposed Caribbean Export Bank.

The island nation's Prime Minister Erskine Sandiford also said his administration would be cautious about a new regional trade payments clearing facility without arrangements for settling debts to the island under the collapsed CMCF.

Sandiford told reporters he was supportive of the concept of an export credit bank since there was a need for an institution to support the development of a vibrant export market. "But when once you identify a need that does not mean you can just go ahead and set up any kind of institution with the hope that the need may be met," Sandiford said. "You have to ensure that the institution that you set up is appropriate both in terms of financial viability and that it has the necessary capability to deal with the problem and has the support of all of the sectors that might be involved in the process." [passage omitted]

Barbados, Sandiford said, had "some instructive lessons" from the operations of the Caricom Multilateral Clearing Facility (CMCF), a payments clearing facility for intra-regional trade which collapsed in 1983 after exceeding its credit ceiling. "...There is a tremendous amount of sums outstanding as far as Barbados in concerned if we are cautious about going into or even considering at this stage the establishment of any new mechanisms before we are sure how the outstanding balances will be cleared or dealt with," Sandiford said. [passage omitted]

U.S. Drug Policies Condemned

FL0607144688 Bridgetown CANA in English 0248 GMT 6 Jul 88

[By Sandra Baptiste]

[Text] St John's, Antigua, July 5, CANA—Heads of Government of the Caribbean Community (Caricom) decided on Tuesday to send a strongly-worded statement to President Reagan condemning the United States for seeking to impose its legal system on regional countries whose leaders are suspected of drug trafficking.

The heads of government, on the first working day of their annual summit, were on Tuesday night drafting a statement attacking the "extra-territorial jurisdiction" being practised by Washington.

Bahamian Prime Minister Sir Lynden Pindling, one of the 13 Caricom leaders, is reported under U.S. grand jury investigation for alleged involvement in the narcotics trade. Panamanian strongman Manuel Noriega has already been indicted on similar charges in Florida.

Antigua and Barbuda's Deputy Prime Minister Lester Bird, reporting on talks, said: "The heads of government condemned trafficking in drugs but determined that the question of the Justice Department of the United States seemingly wishing to have its writ to run in sovereign countries outside of its territory is a development of deep concern to the heads of government.

"There was a feeling clearly that we should go on record as opposing what we see as a breach of our own rule of law in which situations might develop in which the U.S. Government may not be willing to adhere to the domestic considerations of national governments that have their own sovereignty," the Antigia minister added.

At the formal opening of the summit grouping leaders of English-speaking territories, Sir Lynden strongly attacked U.S. "big stick" policies in the Caribbean, saying they represented a new era of gunboat diplomacy. Sir Lynden charged that principles of respect for sovereignty and non-interference in another country's internal affairs appeared to have been replaced by an ideologically motivated interventionist policy.

Bird said there was a suggestion that an international agency be set up to arbitrate cross border drug crimes.

"The question of Panama was dealt with and coming out of that was the feeling by the heads (of Government) that there were serious implications for third countries vis-a-vis the implications of extra-territorial jurisdiction that is being practised by the United States." The U.S. virtually crippled the Panamanian economy through the use of economic sanctions in its quest to oust military leaders Noriega.

Both Pindling and Noriega have denied drug running allegations.

Bird said the Caricom leaders felt that Washington was preoccupied with the flow of drugs into the United States and not the heavy consumer demand of Americans.

"As small micro states, vulnerable, the feeling of the heads is that we should begin to make a statement to indicate our very deep concern at what is seemingly developing in the United States."

No Consensus on Haiti's Status

FL0607144488 Bridgetown CANA in English 1043 GMT 6 Jul 88

[BY Sandra Baptiste]

[Text] St John's, Antigua, July 6, CANA—Caribbean Community (Caricom) leaders on Tuesday failed to reach consensus on future relations with Haiti, with some countries objecting to proposals to suspend the French-speaking nation from observers status.

"There were sharp differences," Antigua and Barbuda's Deputy Prime Minister Lester Bird reported on Tuesday night after lengthy debate which ended in a deadlock.

Leaders of the 13 English speaking nations will tackle the issue again on Wednesday.

Barbados and Trinidad and Tobago have called for Haiti's observer status on ministerial committees of health, agriculture, education, and labour to be suspended because of the June 19 military coup in Port-au-Prince which ousted civilian President Leslie Manigat.

Manigat was chosen in elections last January widely condemned as rigged. The polling took place shortly after a contentious special summit of Caricom leaders in Barbados which avoided outright criticism of the flawed election procedures.

"Generally speaking there are those who feel we have to be consistent, that we recognise that we admitted Haiti to observer status under (dictator Jean-Claude) Duvalier...", Bird said. He reported that Trinidad and Tobago made a "strong and definitive intervention" in the debate while Jamaica, which played a key role in the outcome of the Barbados meeting, "was not taking a particularly high profile."

The feeling of some countries, Bird said, was that the situation in Port-au-Prince should be allowed to develop and then see how Caricom could use its influence.

"There are others who feel that...you must send a strong signal both to Haiti, to Namphy, to the international community that we are not condoning (the coup) since we are democracies ...," Bird said.

Bird said there were also opposing views regarding the aplications by Haiti for membership of the African, Caribbean, and Pacific (ACP) group of nations and to be a beneficiary of European aid and trade arrangements under the Lome convention.

"There are those who feel there should be a signal sent in which we register the fact that we certainly at this juncture would not support it," Bird said. "There are others who feel equally strong that Haiti should not suffer, that is the Haitian people, and that any aid and assistance which is being given should not be taken back and we not encourage that and that Haiti should be allowed to accede to Lome," Bird said.

He noted that there was strong African support within the ACP for Haiti's ACP membership applications. Antigua and Barbuda, Bird, said, was not in favour of severing ties with Haiti at this point.

"I think my prime minister has always been sympathetic to Haiti and the Haitan people and he's more concerned that we should not take away any of the things that have been granted to Haiti ... but that we should send a strong rebuke to them on the basis that if Namphy over a reasonable short period of time does not start a process towards a return to democracy, we would then take whatever sanctions we should take," Bird said.

Dominica's Charles on Haiti

FL0707143588 Bridgetown CANA in English 1913 GMT 6 Jul 88

[By Sandra Baptiste]

[Text] St. John's Antigua, July 6, CANA—Dominica says its not "very hopeful" that Haiti will be restored to democratic rule but is firmly against the Caribbean Community (Caricom) severing ties with the French-speaking Caribbean nation.

"I think if we completely isolate them from where they are already we would be making quite sure that (leader Henri Namphy) would not move towards democracy," Prime Minister Charles said.

Namphy took power in a June 19 coup ousting civilian President Leslie Manigat who came to power in elections last January. A January consultation on Haiti in Barbados by Caricom leaders was plagued with controversy and ended without consensus. When the heads of government discussed the issue of future Caricom relations with Haiti on Tuesday, sharp difference arose and further discussions are to take place. Unanimity is required for any decision on Haiti.

Barbados and Trinidad and Tobago are pressing for Haiti's observer status on Caricom ministeral committees to be suspended but Antigua and Barbuda and several other countries are opposed to this.

"We should encourage Namphy and his colleagues to attend these meetings and to make them realise that in fact democracy is the only way for things to work properly," Charles said.

"I would make it quite clear to them that we are leaving them there because we want to study their actions and to ensure that they are going to do something for the people of Haiti," the Dominican leader said.

Charles said Caricom must condemn Namphy's actions but at the same time she stressed that the Haitian people who lacked democratic institutions must make their views on military rule known.

"We haven't heard a word from the Haitian people. There are no demonstrations. Are we sure they're not happy to have Namphy?" Charles asked.

"How can we at this end decide things for them," she asked. "The fact that we don't want to move it (observer status) at this stage does not mean that we accept what he (Namphy) has done but that we are looking at it and if he makes no move to do better then we will reconsider," she said.

She said if the Haitians, including the four main opposition parties, had participated in the January 17 elections, a more popular president might have emerged. She said if the internaitonal community had poured in aid to Haiti, democracy might have worked long enough for the Haitians to stand up for what they believe. The Haitian people, Charles said, were the ones would suffer if Haiti is blocked from becoming a member of the African, Caribbean and Pacific (ACP) group.

The ACP states benefit from aid and preferential trading arrangements with the European Community under the Lome Convention. Negotiations for a successor to Lome three will begin in September.

Charles said she was hoping that the Caricom conference would not spend more than an hour on Haiti.

"I think we spend too much on other people and not enough on ourselves....I've always said the summit is about trade and industry and if these things are settled I find we can have a very successful summit," she remarked.

Haiti

Government in Exile Said Under Discussion

FL0507212388 Port-au-Prince Radio Metropole in French 1600 GMT 5 Jul 88

[Excerpts] Nicolas Estiverne has invited a group of compatriots to a meeting in Manhattan to discuss forming a government in exile that would be recognized by countries hostile to the Haitian military regime, says the latest edition of the weekly HAITI-OBSERVATEUR. According to Estiverne, who is an American lawyer of Haitian origin living in New Orleans, a government in exile will have the virtue of being an alternative to the government in place in Port-au-Prince. [passage omitted]

Here are Nicolas Estiverne's statements, made during a telephone interview with our reporter, Ralph Delie.

[Begin recording] [Estiverne, in progress] ...one means of defense is to form a civilian government that is nonviolent and that employs diplomatic and political tactics to fight this regime.

[Delie] What will this government's directives be? Will it have a president? Does it have a particular program?

[Estiverne] This government will have a president and a cabinet, as one ordinarily has in Haiti—and probably a vice president. [passage omitted]

Now, I should tell you that as soon as Namphy's government steps down—because it will sooner or later have to step down, there is no question about this—the government in exile will come to Haiti and take power for a single purpose: to hold free and democratic elections in Haiti. The members of this government will not have the right to run for office in these elections that they will supervise. [passage omitted]

It is a temporary government, just to enable us to get rid of the thing we have now. [passage omitted] We know that there are already members of the U.S. Congress who have offered us their support. [passage omitted] [end recording]

That was Nicolas Estiverne, who was expelled last year as a foreign citizen and who is planning to form a government in exile, in an interview with Ralph Delie.

Federal Electoral Commission Meeting Postponed

PA0707142588 Mexico City XEW Television Network in Spanish 1317 GMT 7 Jul 88

[Excerpt] Shortly before 0600 today, the Federal Electoral Commission [CFE] announced that a meeting scheduled for this morning, in which preliminary results of the elections would probably, I repeat, probably be revealed, was postponed. The CFE meeting will take place at 1300 [1900 GMT]. Danila Antuna filed this report:

[Begin Antuna recording] After meeting all day and night, the first morning light on Thursday caught the CFE without any preliminary results. Hopes of having initial vote figures by 2200 [on 6 July] were thwarted when central telephone lines were jammed as a result of a traffic overload. [passage omitted] [end recording]

CFE's Bartlett on Delays

PA0807034588 Mexico City XHTV Television in Spanish 0240 GMT 8 Jul 88

[Rita Ganem report from the Revolution Room of the Government Secretariat]

[Text] After a recess of almost 15 hours, the sessions of the CFE resumed at 1900. At the beginning of this session, Manuel Bartlett, government secretary and chairman of the commission, explained the delay in the receipt of information and the long recess.

[Begin Bartlett recording] We have gathered here today to review the work of the district committees and the information they have reported. As the other commissioners are aware, because they formed part of the respective electoral organizations, we worked late into the night yesterday. The weather conditions in large portions of the country made it difficult for the district committees to gather electoral packages and electoral documentation.

On the other hand, the high participation in the urban zones and the complication caused by the fact that the Federal District had a large number of voters and that four elections had to be tallied at every polling place—due to the addition, on this occasion, of the election of the Federal District's Assembly of Representatives—delayed the Federal District's information much longer than estimated. We had difficulties in receiving information, but we are now in a position to say that the delay will be overcome, because results have been coming in much more quickly as of this afternoon. As there is an agreement not to suspend at any time the receipt of information, we will be able to continue providing this information to the political parties.

I want to acknowledge that the parties have been receiving very little information in the past few hours, but we have committed ourselves to make a greater effort. Because information has been coming in much more quickly as of this afternoon, we will keep the parties informed with the reports coming in from the districts. This is the report on the subject that was left pending at the last session early this morning. [end recording]

Defense Secretary Reports Voting Peaceful

PA0707160288 Mexico City XEW Television Network in Spanish 1440 GMT 7 Jul 88

[Report by Paloma Bodie]

[Excerpt] National Defense Secretary General Juan Arevalo Gardoqui has asserted that the elections were held in an atmosphere of peace and tranquillity. He said that members of the Army, Air Force, and Navy patrolled 300 electoral districts throughout the country to guarantee order and the citizens' security.

[Begin Arevalo recording] Minor incidents have been reported to the operations center of the National Defense Secretariat's High Command. [end recording]

Mexico City Police Commander Enrique Jackson Ramirez said that no violence was reported in Mexico City during the elections. He said one report indicated that a person suffered a heart attack while preparing to vote at polling center 58 in the Roma Norte neighborhood. [passage omitted]

Presidential Candidates Claim Election Victory

PRI's Salinas

PA0707213788 Mexico City Red Nacional 13 Imevision Television in Spanish 2021 GMT 7 Jul 88

[Speech by PRI presidential candidate Carlos Salinas de Gortari at the PRI National Executive Committee offices in Mexico City—live]

[Text] Fellow patriots: Yesterday the Mexican people experienced an extraordinary day. We demonstrated our desire to live in peace and liberty and to decide our future by ourselves, within the framework of the law. We have achieved national victory in the presidential elections. [applause, chants]

We achieved this in one of the most competitive and peaceful elections in our history. Our national victory is unquestionable and clear. Our party has received reports that confirm this. I must thank the millions of Mexicans who favored me with their votes for their confidence and support. I am committed to all of them, and from now on I will be committed to the entire nation. [applause, chants]

I have been informed that the huge and encouraging voter turnout and the meticulous and careful computation of votes by all the parties has made this election very complex. Consequently, official information will continue to be reported within the next few hours as established by law. I will abide by that procedure.

I express my appreciation for the extraordinary work done by my party. I do so to the national, state, and municipal leadership. I especially acknowledge the enthusiasm shown by the agrarian, labor, and popular sectors, as well as the efforts they kept up during the long campaign in which they accompanied me. I express utmost appreciation to the regional committees throughout the country for their zealous work. I reiterate my gratitude to those who voted for me and my respect to those who voted for other options. [applause]

The election (?results) have begun to show victories by our candidates to the Senate and the Chamber of Deputies and also more victories for the opposition than it has ever achieved. This attests to the pluralism in the country, which I have vowed to respect and to encourage. The information allows me to point out that the opposition groups have shown they have a majority strength in several districts. This is the new political reality in our nation, with which we will coexist harmoniously and respectfully.

This expression of pluralism is a demonstration of Mexico's progress toward democracy, and I acknowledge it. The time when there was virtually a single party is over. We have now entered a new political stage in our country's life, with a majority party and very intensive competition from the opposition.

I have pledged to recognize the legal victories of the opposition groups and to firmly defend, within the law, those of my party. I will do so because of my deep democratic conviction and for the nation's unity and good. Onward, compatriots! [applause]

Cardenas of FDN-PMS

PA0707225488 Hamburg DPA in Spanish 2155 GMT 7 Jul 88

[Text] Mexico City, 7 Jul (DPA)—Cuauhtemoc Cardenas, center-leftist presidential candidate of the Mexican opposition, today asserted he is leading in the vote-counting process. He rejected the government party's "early announcement of victory."

Basing his assertion on figures reported by the four parties that back his candidacy, Cardenas said he has received 41.4 percent of the votes cast in Mexico City's 1,484 voting booths (20 percent of the total), while Carlos Salinas de Gortari, the government candidate, received 27.2 percent and conservative candidate Manuel Clouthier received 23.4 percent.

A national sample of 272 voting booths, which had been designed to get a profile of the election, gives Cardenas 39.6 percent of the votes cast, 31.2 percent to Salinas de Gortari, and 24.5 percent to Clouthier.

Cardenas, candidate of the National Democratic Front, FDN, and the Mexican Socialist Party, PMS, said: "We reject the government party's early announcement of victory." He rejected PRI's announcement of its "smashing, legal, and unobjectionable victory" early this morning.

He recalled that the government party made the announcement at the same time that Manuel Bartlett Diaz, secretary of government and president of the CFE, admitted that the electoral authorities had no reliable data on the results of the election. The first and only official figures were released by the commission several hours after the PRI's self-proclaimed victory. According to these figures, Salinas de Gortari received 41.8 percent, Cardenas 35.0 percent, and Clouthier 16.3 percent of the votes cast in 2.0 percent of the voting booths.

In a news conference today, Cardenas lauded the people's mass participation in yesterday's election. He said "the people cast their votes for the opposition parties" despite "the many irregularities" during the process. He also said Salinas de Gortari's self-proclaimed victory and the first official figure of the election results indicate a "gross fraud" is in the making, because the preliminary results, based on copies of voting booth reports in the hands of the opposition, "clearly show the government has been defeated."

Cardenas added that he achieved a smashing victory in many regions of the country, such as Michoacan State, where, he said, he received 59 percent of the votes cast, while Salinas de Gortari received 22 percent and Clouthier received 14.3 percent. These figures represent votes cast in 372 booths, or 16 percent of all booths in the state.

Cardenas reiterated he will recognize no manipulated results or any officials elected through fraud. He pointed out: "We will defend our victory with all the legal instruments available and through the mobilization of the people."

In conclusion, he appealed to his voting booth and district representatives to remain vigilant and do battle at every one of the country's 300 electoral districts, where the second stage of the computation process has started after yesterday's count at the booths.

PAN's Clouthier

PA0707220388 Madrid EFE in Spanish 2052 GMT 7 Jul 88

[Text] Mexico City, 7 Jul (EFE)—Manuel J. Clouthier, Mexican presidential candidate for the right-wing National Action Party (PAN), said today that yesterday's elections "were a great fraud."

At a news conference, Clouthier, leader of the country's second largest political force, called for a march on Mexico City on Saturday to carry out civil disobedience activities

"against the electoral fraud." Mexicans of voting age turned out yesterday to choose President Miguel de la Madrid's successor and federal deputies and senators.

Clouthier stressed: "We want to reestablish the legality that the fraud machinery wishes to destroy. The irregularities have not been isolated incidents. They affect whole states." (Politically, Mexico is divided into 31 states.)

Clouthier affirmed that the ruling PRI lost the elections in Mexico City, where, according to him, PAN won, although he did not disclose figures. Clouthier also said that if there has not been violence, it is because "we (the opposition parties) have not allowed it."

Clouthier called on the Army not to allow the fraud because, in his opinion, the Army is part of the people. (The Mexican president is the head of the Armed Forces.) Clouthier reported that in Sonora State (northeast Mexico), the Army beat "some PAN followers," who were drunk.

Clouthier said he will fight as much as the people decide to, but within the law and through peaceful, active resistance. Clouthier disclosed that he is in contact with opposition parties to create a common front to restore legality to the electoral system.

Clouthier also said it is impossible that the PRI could have known it had won the elections when its national leader, Jorge de la Vega Dominguez, announced it early Thursday morning. Clouthier also affirmed that PAN is ahead in the states of Jalisco, Michoacan, Durango, Sonora, Chihuahua, and Mexico.

CFE Statement Says No Election Results Issued

PA0807144388 Mexico City XEW Television Network in Spanish 1305 GMT 8 Jul 88

[Report by Dalina Antuna]

[Text] The CFE yesterday discussed the PRI's election victory proclamation. The CFE reconvened in the afternoon and, in response to a proposal made by PMS [Mexican Socialist Party] Comissioner Jorge Alcocer on behalf of all the opposition parties, the commission unanimously agreed to inform the citizenry through the news media that no election results have been issued. The CFE statement to the media asserted that victory proclamations made by various political parties are not based on official information from the CFE.

The CFE also reached an agreement on the time allotted to the various political parties on radio and television. The Cardenista Front requested more access to the media for political parties to express their views on the electoral process. This request was approved.

The CFE declared a recess at 2140 [0340 GMT on 8 July] without issuing any election results.

El Salvador

Government Submits Bill on Emergencies

PA0707083388 San Salvador Canal Doce Television in Spanish 1200 GMT 6 Jul 88

[Report by Mauricio Funez—passages within quotation marks recorded]

[Text] Acting President Roldolfo Antonio Castillo Claramount has presented a draft law to the Legislative Assembly that regulates and [words indistinct] periods of national emergency. According to Castillo Claramount, the country needs special legislation to ensure the normal functioning of public services, especially when they are affected by groups that threaten the government's stability.

This initiative was sponsored by Vice President Castillo Claramount, who is acting president, and by the ministers of interior, justice, defense, economy, and public health and social services. The draft law requests that the Legislative Assembly delegate to the Council of Ministers responsibility for declaring a national emergency in case of catastrophe, epidemic, serious public unrest, or other similar situation, as well as when the continuity of public services supplied by the national government, municipalities, autonomous official institutions, or private enterprises is interrupted or endangered.

[Castillo] "We believed it was necessary, prudent, and advisable to hold an urgent meeting with the Council of Ministers on Sunday. We studied in depth how far our current legislation allows us to proceed in case of an emergency. Mr President [of the Legislative Assembly], we concluded that we need special legislation."

According to the draft law, the Council of Ministers may take the necessary steps to provide efficient public services. This could also lead to the militarization of government agencies.

[Castillo] "In the event of the militarization of a public agency, the administrators, workers, and supervisors of the agency that has been transferred to the Armed Forces will be subject to the legal provisions governing the Armed Forces and will perform their duties at a site designated by the minister of defense and public security, who should take the necessary steps to maintain peace. This provision will be applicable to enterprises and their workers that are contracted to provide or restore a public service."

The president of the Assembly hailed the initiative, but was cautious in his assessment of the chance of such a decree being passed by the full legislature. He said that before being presented for consideration, this draft law will have to be studied by the Political and Legislation and Constitutional Affairs Committees.

[Legislative Assembly President Ricardo Alvarenga Valdivieso] "It must include something that I would say has a very deep-seated importance. We are engaged in a democratic process that we must carry out in the most fluid and liberal manner, so that it cannot be manipulated at any time."

The president of the Supreme Court of Justice, who was also present at the meeting, shared Alvarenga Valdivieso's opinion. He said that before it is approved, the draft law would have to be studied from the legal aspect, to ensure that it respects the Constitution and preserves the legal system.

[Supreme Court president] "The Supreme Court as an institution cannot issue an opinion a priori, since the avenues of appeal [los recursos] are not included. However, we are acting as patriots. We want to save our Republic. We want to save our democracy, and we have to make our personal contribution based on our experience and our knowledge.

"In this regard, in studying the draft, we will try to ensure that, within the framework of the Constitution, the state and Salvadoran society are protected."

Answering the media, Castillo Claramount denied that this measure would lead to a state of siege. To declare a state of emergency in the present circumstances should not be confused with repression or the suspension of constitutional freedoms and rights, he said.

[Castillo] "Security is not incompatible with respect for the law. Security is not synonymous with repression. Security is not synonymous—pardon the pun—with legal insecurity. To the contrary, the people need and truly are seeking and wanting this new system that gives them more security. This is a system that respects the law. It is a system of respect for the Constitution and of social responsibility, which is the total opposite of a system that aggravates social conflicts and increases the polarization and confrontation that exist in the country."

The executive's request will have to be approved by the legislative branch to take effect. No deadline has been established. Despite the urgency with which the president has presented the decree, the study of it could take a few weeks.

Reaction to Draft Bill

PA0707182188 [Editorial Report] San Salvador Canal Doce Television in Spanish at 0300 GMT on 7 July 1988 carries three separate items on reaction to the draft emergency bill proposed by the government to the Legislative Assembly.

The first item reports that Sigifredo Ochoa Perez, vice president of the Legislative Assembly, announced on 6 July that his party, the Nationalist Republican Alliance [ARENA], "will carefully study the national emergency

draft bill presented by the government." Ochoa Perez also said the bill "might be part of a political game by the Christian Democratic Party to involve other parties," the report adds.

The second report cites FDR President Guillermo Ungo, "who today criticized the national emergency draft bill, pointing out that the law would go against a peaceful solution, which is what the country wants." The report adds that Ungo said the bill "might restrict political and labor rights."

The third report states that Jose Antonio Rodriguez Porth, a private business leader and member of ARENA, has said the draft bill "is incomplete and was prepared in a hurry." The report adds that Rodriguez Porth concluded by saying: "Prior to approval, the Legislative Assembly must carefully study the bill and make the necessary corrections."

Guatemala

URNG Reiterates Willingness for Dialogue

PA0707204688 Guatemala City EL GRAFICO in Spanish 6 Jul 88 p 11

[Text] Guatemala, 6 July—The URNG has once again contacted Archbishop of Guatemala Msgr Prospero Penados del Barrios to insist that there should be a dialogue with the government. The URNG wants the Guatemalan prelate to attend.

We consulted Msgr Penados del Barrios about this renewed URNG request. He said that he had in fact talked with the group recently, and it again proposed he attend any dialogue or talks with the government.

When asked if he would be willing to participate in this dialogue with the subversive group, the archbishop specifically said he has always been willing to participate in any effort that will help peace prevail in Guatemala. However, as the government would be part of the dialogue, he could not tell the URNG if he officially accepts or not because it must first be established if the government is willing to participate.

If the government is willing, he said, then I would naturally continue contributing to all efforts to achieve peace in Guatemala.

When the URNG proposed initiating conversations with the government to reach peace agreements, Msgr Penados del Barrios was considered an excellent choice as mediator. Meanwhile, the government warned that the guerrillas must first lay down their weapons before any dialogue or talks are held.

Honduras

Military Spokesman Denies Armed Forces Purge

PA0707201188 Tegucigalpa Cadena Audio Video in Spanish 1230 GMT 7 Jul 88

[Report by Javier Gabino Villalobos on interview with Colonel Manuel Enrique Suarez Benavides, director of the Honduran Armed Forces Public Relations Office, at the National Autonomous University of Honduras on 6 July—with portion recorded]

[Text] [Gabino] Col Manuel Enrique Suarez Benavides, chief of the Honduran Armed Forces Public Relations Office, told Radio America that recent changes within the Armed Forces were routine and in no way reflect a purge. He added that reports to the effect these changes were aimed at purging a certain sector within the Armed Forces were speculation that has been echoed by the media:

[Begin recording] [Suarez Benavides] These are all routine changes carried out periodically within the Armed Forces. There is no purge under way.

[Gabino] Is there unity within the Armed Forces, Colonel?

[Suarez Benavides] The Armed Forces are solidly united. This has been demonstrated in all national activities. Any report to the contrary is only speculation without any basis.

[Gabino] It has been said that the change affecting Colonel Alvaro Romero [from commander of the 4th Infantry Battalion to Armed Forces inspector general] is aimed at beheading a group of officers because of the influence and power this group had acquired within the institution, and that Col Romero was perceived to be the leader of this group. Is this true, Colonel?

[Suarez Benavides] This is speculation that has been echoed by the media.

[Gabino] It has also been said that in order to vote in the next presidential election, it will be necessary to show a document confirming that the voter has completed his compulsory military service.

[Suarez Benavides] I know that a study concerning the military service and electoral laws is being conducted. The Honduran people will be informed of the results in due time.

[Gabino] Does this mean there is a possibility a document confirming the completion of military service may be required in the next elections?

[Suarez Benavides] I cannot answer that question right now, because the matter is still under study; however, the Armed Forces will keep you informed as usual. [end recording]

Nicaragua

Ortega on Economy, Reagan 'Terrorist Policies'

PA0807011388 Managua Radio Sandino in Spanish 2042 GMT 7 Jul 88

[Speech by President Daniel Ortega on the "Face the People" program at the Adalberto Palacios coffee mill in Matagalpa—live]

[Text] During our visit to one of the farms today, we were discussing the latest decisions made by the revolutionary government to allot bean, rice, and sugar quotas in July and December. These quotas are to be given to permanent workers, soldiers, and health and education workers—who comprise 80 percent of the beneficiaries of this measure—central government workers, and families of soldiers who have been killed.

A comrade told me that this measure could be (?misunderstood) because the worker, the worker who produces coffee or cotton, is excluded from it. I believe it is very important for me to explain this measure to you in this meeting so that you can explain it to your companions at your production units. It is important that you know why these measures were taken and for what objectives.

These economic measures are all very difficult to explain and to understand. That is the truth. We started implementing the economic measures in February and continued to do so in June. These measures have had a strong impact on most of the country's social and economic sectors. Service sector workers were particularly affected, but productive sector workers have also been affected.

We can explain these measures in a few words. In Nicaragua we spend more than what we produce and what we receive through cooperation from foreign countries. Nicaragua's expenditures amount to much more than what we have received through cooperation—all the loans and donations—from abroad and what we produce domestically in terms of coffee, cotton, sugar, salt, seafood, and gold. The measures we have taken are aimed at reducing our excessive expenditures. We are still spending much more than we should, and this harms our country's economy. This goes against the revolution's strategic interests, which are to defend the workers, to defend the working people.

These measures were taken to allow enterprises to be more efficiently managed—here I will speak about coffee cooperatives because most of you are linked to them. These measures would allow management to meet with unions and workers and to be able to discuss and to calculate costs involved in producing a quintal of coffee here.

We have to determine what we have to do to produce more coffee and what we have to do to improve conditions in the field to increase coffee production. We also must think of how to improve the living conditions of workers at the coffee farms. We will make it possible for coffee enterprises to give more benefits to the workers if production increases.

If the enterprises produce more, it will be possible for the workers to get more benefits. But, if the enterprises fail to operate properly, or if many mistakes are made because workers lacked discipline, because they were not responsible enough, or because good coordination was lacking, there will be consequences for the workers.

We have to take into consideration that the measures we approved in June have been applied for 2 or 3 weeks. We are passing through a period we might describe as one of adjustment or adaptation. This forces us to make the companeros who head the enterprises understand the purpose of the regulations. This is what happened after these regulations were implemented at all the industrial and agricultural enterprises, some of which sell herbicides, fertilizer, seeds, food, and spare parts. They simply multiplied what they paid for products by 6, 8, or 10 and sold them at that price. But this is not the right way to calculate prices. In other words, these enterprises acted just as they had acted in previous years, when the manager of an enterprise selling footwear, clothing, and the like simply multiplied what he paid for it by six, seven, or eight. There was a considerable amount of currency in circulation. People literally snatched a product from the salesman's hands even though the price had been raised.

Most of the enterprises' managers thought these new measures were similar to the previous ones. These managers failed to understand the measures were different from the old ones. What resulted from this? We visited several manufacturing plants in Managua and Granada. Workers worked with great discipline, effort, and sense of responsibility for 17 or 18 hours. Now they are alarmed because their storage facilities are packed full with products and cannot be sold because the price is too high.

At the markets, women vendors used to set whatever price they wanted. Now they wanted to do the same but found that customers are not buying, not because they do not want to, but simply because they cannot afford the price. So the market vendors have to tug their customers in and haggle over prices. Perhaps it would be better to set a price without haggling. They could charge 120 cordobas for a product, for example. But they have had to haggle over prices with their customers, and they end up lowering their prices after all to sell some of their products.

This situation has also caused a supply problem. In a farm, we visited a small shop and observed an acute product shortage. The problem lies with the prices. The enterprise cannot pay those prices and has to haggle over them with producers. The most important products are being imported, such as rice, soap, and metal files. The companeros must better calculate the cost of these products before

setting prices. Otherwise, such products will simply not be sold because of the prices. And if a manufacturing plant cannot sell, it will have to close down.

The Ministries of Industry and Agricultural-Livestock Development and Agrarian Reform are already working to regulate product prices. They will better calculate the cost of products and will not allow their prices to be set by the whim of whoever is in charge of marketing at the enterprise. Some of those managers say: Now that there has been a change in the exchange rate, which is 80 to 1, I will raise the price of the product. Product prices are not set this way. The prices of neither coffee, cooking oil, nor any other product are calculated that way. It is not just simple multiplication; instead, there are many factors involved.

Product prices cannot remain the same. They will be raised slightly, as we are trying to have products priced at their true value. We are also trying to ensure that coffee producers receive the true value for their coffee. The coffee enterprises will have to have good production [words indistinct] these enterprises can then have more resources to protect the workers.

We believe—this should be very clear—that our policy has not changed. We want to increase both the forces that militarily defend the revolution and the forces involved in domestic and export production—the production of consumer products, food, and agricultural exports such as coffee.

These sectors remain a priority. When we agreed on these measures, we were looking at the possibility—depending on the enterprise's profits; the trade unions know how much profit each enterprise makes—of having enterprises reinvest profits to grow a little more, to maintain their child-care centers, to provide food for workers, and to supply their commissaries.

Now the enterprises have the greatest opportunities to use the resources they produce through their own efforts, because this means we are recognizing the value of the products produced by a certain enterprise. If, for example, 1,000 quintals of coffee were produced, then this must be recognized. If this produced a certain profit, then this profit will be reinvested into the most appropriate enterprise, taking into account the workers, of course.

We are establishing incentives for production workers. We are operating under the premise that if workers in the production sector receive incentives, they will have the chance to increase their wages as they produce more. If they work with discipline and efficiency, they can earn more.

This is where the SNOTS [National Labor and Wages Organization] is flexible. The basic problem we have encountered regarding supplies of basic goods, such as food for coffee enterprises, has to do with the problems that I said we are overcoming and will overcome [3-second break in reception] they started fixing prices on articles a bit too hastily. Prices were not properly calculated, and some prices have been too high. The ENABAS [National Enterprise for Staple Foods] also followed a policy of supplying products to the comrades on credit.

I am explaining this because some groups may believe that only teachers and health workers receive priority treatment. As I have already explained, the comrades in the Army also receive priority treatment. These comrades are to receive an aid package that includes 10 pounds of beans, 5 pounds of sugar, and 10 pounds of rice. Those between salary levels 1 and 14 will pay 5 percent of their salary for this package, and those between levels 15 and 29 will pay 10 percent. This does not mean that the production sector—the industry, farm, and coffee plantation workers—is being denied this aid. The coffee plantation and industry workers, as I have explained, will be allowed to increase their real buying power if they increase production and their firms produce more. They will be protected. They are not to the SNOTS. By doubling his work hours and putting in 16 efficient hours, a worker can fulfill certain tasks [words indistinct]. This allows the worker to improve his situation, and it allows the firm he works for to use its profits to improve the workers' social conditions and standard of living.

Meanwhile, if we add the health and education workers, the permanent EPS and Interior Ministry forces, the relatives of the fallen who receive a monthly allotment, mothers who have been left alone without children to care for them, and the comrades who work for the central government, this last group a minority, we will have more than 80 percent of the workers who will benefit from this measure. Why are we giving them this type of support? Because these comrades are tied to the SNOTS. Who receives this support? The health workers and teachers. Who gives them this support? The workers from the production sector. The people must give them this support. Why? Because they are tied to the SNOTS. They must have some form of protection. They earn very little. A merchant can earn in 1 day what a teacher earns in 1 year. We are therefore not obliged in this case to supply the merchant with those basic products.

The teachers and health workers are tied to the SNOTS. Anyone who earns 650 pesos, whose salary is budgeted, who earns the minimum wage, and who has no way of earning more is tied to the SNOTS. Even if a teacher were to work late in the afternoon preparing his classes—because teachers work past the time they spend in classrooms with their students—he would not earn extra pay. He has no incentive. The possibility of the teachers having a commissary does not exist, but industrial and coffee plantation workers have this privilege. The teachers are not entitled to a small commissary or even a poorly supplied commissary such as the one I saw at one of the farms. The same goes for the health workers. Their situation is similar because they are tied to the SNOTS. What else can we do for these workers? They are an important sector because they produce services for the coffee plantation, [word indistinct], food, and industrial workers. The only thing we can do is adopt measures

such as this. This is a provisional measure: It has been approved for 6 months, from July to December. We can do nothing more. We will see what happens next year, but for the time being this is all we can do. The current problem of supplying the coffee plantations is, as I explained, being solved.

I have tried to clarify this for you, but I realize this is so complex a topic that some of you still have doubts and are concerned over some points. We might as well try to clarify those apparently obscure points. I want you to have these things clear in your minds so you can explain them to other companeros at their work centers. Understanding these measures is part of your role as leaders of the masses of rural workers.

I want to mention another point. On the five farms we visited, we found a shortage of more than 200 permanent workers needed to tend the fields to ensure a good coffee harvest throughout the country. Despite the fact that workers from some industries in Managua have come to this farm—we have been speaking to some workers from Managua who have worked here for up to 3 months, who have learned to work efficiently—more than 200 workers are needed on just these five farms and more than 2,000 workers are needed in the region. I am saying this for the benefit of the companeros in Managua who are willing to contribute to the production of coffee, which is one of the country's essential products. Coffee production is fundamental to Nicaragua's economy. Therefore, all of us Nicaraguans must protect the coffee production enterprise.

If we find a situation in which some industrial workers, workers in the central departments of the government are being left jobless as a result of the consolidation, they have an alternative here. This alternative puts their consciences and the wills of the workers themselves to the test. We are certain that the companeros who have come here, upon their return to Managua, will spread the word of what it means to work on this farm.

I also want to mention the companeros, the workers from Managua who have been brought to this farm by the Sandinist Central Organization of Workers. The number of these workers is still small. There are enough vacancies for companeros from Managua, even for those who were born here, moved to Managua, and who are now jobless. [4-second break in reception]

I want to point out that the only housing projects we have approved in 1988 are for rural areas. The homes that are gradually being completed on farms and in which some of you are already living are the only homes that have been approved. We have not approved housing projects in Nicaraguan Pacific seaboard cities or in other cities in the country. We have directed our attention to rural areas to give rural workers at least a minimal standard of acceptable living conditions. This is another topic we can discuss a bit.

There is another topic I could not fail to discuss. This one deals with aggression, the war that the United States and Ronald Reagan wages on us Nicaraguans.

Reagan's terrorist policies are manifested throughout the world in various ways. A few days ago, Reagan downed an Iranian civilian transportation aircraft carrying 290 passengers, of which 66 were children. The result is that they were murdered. There is no explanation or justification for the incident. [Words indistinct] Reagan is trying to justify this crime. When he is asked about the crime, he calmly justifies it. This should make us reflect about what may happen in Nicaragua during the coming days, weeks, and months. Once again we are experiencing the effects of a dirty, illegal war, the terrorist activity Reagan has approved and continues to approve and to encourage against Nicaragua.

Recently a truck was ambushed. The 12 comrades riding in it, 7 were civilians, were murdered. Even if only Army troops had been in that truck, it should not have been attacked, because a cease-fire is in effect and it should have been respected. Reagan, however, had already instructed these terrorists to increase activities against the Nicaraguan people, and they simply carried out the ambush, opening fire on the people and exploding mines; wounded comrades were finished off; they were brutally murdered by the counterrevolutionaries, and only a few of them managed to escape. A few days later there was another criminal attack in which two minors were murdered and Nicaraguan peasants were kidnapped.

We are faced with an increase in terrorist activity; they [the contras] are already moving about our territory with their surface-to-air missiles; they have plans to fire at our helicopters. As I have already told you, this also endangers civilian aviation in Nicaragua, because Reagan has set the example of downing civilian airplanes, and these assassins [the contras] could do the same in Nicaragua. They are armed with missiles provided by the U.S. Government. They are beating the drums of war [words indistinct].

This tells us that we must not lower our guard, we must be prepared in every area of Nicaragua; we must be prepared to repel, confront, and strike these criminals wherever they attempt an attack. We must annihilate them wherever they carry out criminal acts, such as these against the civilian population. We have not broken the cease-fire. The Yankee administration is breaking, has already broken the cease-fire. The mercenaries are breaking the cease-fire with their criminal activities. We are not breaking the cease-fire, which is important.

It is important for all of you who live in small communities, towns, territories, valleys, and mountains to go from door to door informing the peasants about this. In those areas where people do not even have access to radios, information must be transmitted door-to-door, because over the past few

months, the peasants have been subjected to contra activities—although the contras have always violated the cease-fire. Of course, those actions were on a much smaller scale than the current actions.

The peasants, however, [words indistinct] are hoping for peace. They would like to walk the streets without fear of having a mine explode under their feet; they would like to go from one place to another, to make the earth produce, to work without fear of being ambushed by the contras. They would like to work on their farms or on their cooperatives without fear of being attacked by the contras. The peasants value this highly; they know the meaning of peace and they know we have fought and are still fighting for peace. The peasants should be clear on this fact: The counterrevolutionaries are resuming the war now. The counterrevolutionaries are breaking the cease-fire; the Yankees are breaking the cease-fire. To speak of the counterrevolutionaries is to speak of the Yankees.

The name of the counterrevolution is Reagan. The counterrevolution means imperialism. The counterrevolution is the result of the policy being implemented against Nicaragua by the United States with the use of its mercenaries. Imperialism—Reagan and the Yankees—are breaking the cease-fire, and this must be explained to the peasants so that the peasants fully realize who is breaking the cease-fire in Nicaragua. We are sure that the peasants will take care of whoever breaks the cease-fire in Nicaragua, and since it is the counterrevolutionaries who are breaking the cease-fire, we are sure that the peasants will not hesitate in raising their machetes and their rifles to blow off the heads of all these criminals. [applause]

[Words indistinct] Well, if you break the cease-fire, or if you are already breaking it, well, forget about getting any support, because we want peace. You will have to confront us, all of the Nicaraguan people and the Army, the Interior Ministry, and the reserves.

San Jose Radio on Possible RN-Ortega Meeting

PA0707202888 San Jose Radio Impacto in Spanish 1856 GMT 7 Jul 88

[Text] Our correspondent Alejandro Acevedo reports on a possible meeting between Nicaraguan Resistance [RN] members and Daniel Ortega at the end of this month in Managua and on the budget problems that rebel organization is facing.

[Acevedo] This is an exclusive report for Radio Impacto direct from San Jose, Costa Rica.

At a news conference held at the RN headquarters in Miami, Alfredo Cesar and Aristides Sanchez, members of the directorate, announced that it is very possible they will meet with Daniel Ortega on 28, 29, and 30 July. It has not been decided yet if the meeting will take place in a Central American country as proposed by the RN. However, it seems that dictator Daniel Ortega has agreed to head the Sandinist government's delegation.

The directorate was asked about reports that its members receive $75,000 a year. Alfredo Cesar denied these reports.

Among other things, a note from the RN states that in view of the need to adjust available funds, which have dropped 42 percent, without affecting its capabilities as political-military organization, it has decided to reduce its political-administrative personnel and its general office expenses.

By making those adjustments the RN has shown responsibility and made a decision that reflects great political maturity in its efforts to consolidate the struggle for Nicaragua's liberation.

During the news conference, Alfredo Cesar announced some changes in and additions to the RN. Here is his statement:

[Begin recording] The Directorate has decided to have five support areas, as follows:

Secretariat: Roberto Ferrey, secretary; and Oscar Moncada, deputy coordinator.

International Relations: Jorge Castillo Rivas, coordinator; and Marcio Baltobano, deputy coordinator.

National Policy: [name indistinct], coordinator; and Luis Rivas Leiva, deputy coordinator.

Information: Frank Arana, coordinator; Carlos Tunnerman, deputy coordinator; Bosco Matamoros, [title indistinct].

Administration and Finances: Leonardo Somarriba, coordinator; and Mario Sacasa, deputy coordinator.

The RN stresses that the voluntary efforts of all Nicaraguans with democratic convictions guarantee the advancement of the country's liberation. [end recording]

Contras Kill Two EPS Reservists in San Gabriel

PA0607193388 Managua Domestic Service in Spanish 1822 GMT 6 Jul 88

[Text] Two members of the Army reserves were assassinated in a contra ambush at 0645 this morning in San Gabriel, located northwest of Jinotega. According to reports released to our correspondent Manuel Altamirano, the counterrevolutionaries from the Pedro Joaquin Gonzalez Regional Command ambushed the truck in which the Army reserves were traveling.

The EPS public relations office in Matagalpa reported that at 0700 yesterday, counterrevolutionaries attacked a civilian truck owned by (Marucasa) and kidnapped nine passengers. The attack took place in El Aparejo.

Intelligence Chief on Shultz, Contra Stations

PA0207035788 Managua Radio Sandino in Spanish 1930 GMT 29 Jun 88

[Interview with EPS Military Intelligence Chief Ricardo Wheelock Roman by unidentified reporter on the "Directly From" program on 29 June—recorded]

[Text] [Wheelock] The U.S. media has prepared the way for Mr Shultz' visit, which will begin today in Guatemala, by reporting lies and material from U.S. State Department publications. I have a document in my office published in 1985 by the U.S. State and Defense Departments that is entitled: "The Sandinist Military Buildup." It is State Department document No 9432, Inter-American Series No 119. The document shows TSR-71 satellite [as heard] and other satellite photographs of the Jinotega headquarters, a few military schools, EPS units, and ships arriving in Nicaragua. It shows—as it says here—the Santa Maria communications intercept installation in Managua and the Puerto Cabezas, San Francisco, and Santa Rosa communication intercept installations. The airports that are shown are the Nicaraguan civilian Sandino airport; the Esteli, Montelimar, Puerto Cabezas, Rosita, and Bluefields airports; a radar installation in Masaya; the Carlos Ulloa Air Force Base, which is identified in the document as Punta Huete; and more.

This official U.S. document on military installations in Nicaragua is to be presented as evidence to the International Court of Justice at The Hague. The document is propaganda and also is evidence of a violation of Nicaraguan air space—a case of plain espionage. We will definitely report this violation.

The United States wants to make Nicaragua appear to be a country that is teeming with airports and can receive any type of aircraft. We only have one international airport and only three medium-sized airports in this country. In their publication, however, the United States presents a series of lies about our country. The document mentions huge shipments that are received in Nicaragua, and this is totally false. The document tries to convey the impression that Nicaragua is a militarist, intransigent country that would attack any country. The document states that Nicaraguan ports can receive any type of ship. This is also false. In fact, Corinto is the only port that Nicaragua has with any capacity worth mentioning. It is [words indistinct]. But the North Americans would have a further advantage [words indistinct] in Honduras [words indistinct] because the ships from the Soviet Union have to make a long trip from there.

That is perhaps the most important thing we wanted to say. This is the reissue of a number of lies—lies they have even documented. They plan to provide Mr George Shultz with ammunition, but he will find here the revolutionary firmness that our people have always shown. The lies that these gentlemen want to use against us will be exposed for what they really are.

[Reporter] There is another problem that in recent days has become more serious and that has apparently [words indistinct] against Nicaragua from various countries. It is called the Nicaraguan Resistance radio system; in other words, the mercenary stations. What is that situation at this time?

[Wheelock] As you know, at this time Radio 15 September, which was the first one to operate against us from Tegucigalpa, Honduras, and another station, Radio Liberation, which broadcasts [words indistinct] on mediumwave from El Salvador, have joined together and have formed what is called the radio system of the resistance or counterrevolution. We must state that as a result of the visit of the (?IAPA) at the end of 1987, that station stopped broadcasting on mediumwave from El Salvador and joined Radio 15 September, which operates from Tegucigalpa. The Honduran authorities are completely aware of this, because many well-known journalists in Tegucigalpa are reporters who work for that station.

We can state that through our intelligence means, we know where its transmitters and studios are located and who works for that station. We have absolute proof that the Resistance's radio system broadcasts every day from Tegucigalpa, Honduras, through transmitters near Tegucigalpa. Radio Liberation therefore stopped broadcasting from El Salvador and now also broadcasts from Tegucigalpa. It is completely run by the counterrevolutionary forces. In the case of Costa Rica, there is the Voice of UNO [Nicaraguan Opposition Unity], which also joined the Resistance's radio system. Sometimes it broadcasts from Costa Rica. The Voice of UNO belonged to ARDE and the Southern Opposition Bloc. As I said, it still broadcasts from Costa Rica on 5890 kHz on shortwave.

In Costa Rica, furthermore, there is a very interesting situation. The U.S. Central Intelligence Agency, CIA, has set up a commercial radio station that during the day broadcasts normal programming, but beginning at 2100, it exclusively broadcasts to Nicaragua the counterrevolutionary forces' message on mediumwave and shortwave. This station is known as Radio Impacto. This is interesting because by using a number of underhanded legal arguments, the authorities of that country violate the Esquipulas accords, even though President Arias has promoted this regional peace agreement. The Costa Rican authorities are not preventing the use of their territory for attacks on another country. The Esquipulas agreements prohibit the use of territory as a site of transmission, as site of [words indistinct] Central American governments. This radio station belongs to the CIA. One of its shareholders is counterrevolutionary Favio Gadea Mantilla. But he only lends his name to the station. The station really belongs to the U.S. Government—specifically to a U.S. intelligence agency—and broadcasts against Nicaragua. Although it is true that the counterrevolutionary message begins at night, all day long this station's information and propaganda system works against the Nicaraguan Government and people.

Appeal Planned in Secret Documents Case

PA0207131688 Managua LA PRENSA in Spanish 30 Jun 88 p 1, 2

[Unattributed article: "A Barbaric Ruling"]

[Excerpts] The defense attorneys of Mario Alegria, Nora Aldana, Jose Espinales, and Pedro Pablo Su Olivas will appeal the verdict by Reynaldo Monterrey, eighth district criminal court judge. The ruling is based on an alleged "revelation of secret documents." The defense attorneys argue that there is no law that determines or establishes restrictions on documents. [passage omitted]

After the ruling was announced, Hernaldo Zuniga, Mr Alegria's defense attorney, told LA PRENSA that he did not agree with the ruling because "it is based on prefabricated, ideological, and subjective views since there are no precise and correct legal provisions on this issue." He added that he does not agree with the ruling, because his client has not committed any crime and "because there is no law making the revelation of secret documents a crime." [passage omitted]

Opposition 'Has Nothing To Celebrate'

PA0707055988 Managua BARRICADA in Spanish 6 Jul 88 p 3

[Editorial: "In Truth, the Opposition Has Nothing To Celebrate"]

[Text] It is absolutely true. Former National Guard Colonel Enrique Bermudez and the contra spokesman's owners have nothing to celebrate on 19 July. The old landowners, bankers, and political schemers who miss Somoza's underhanded dealings have no reason to celebrate the existence of a regime that, over the past 9 years, has done away with all their privileges.

What would they celebrate? Not a millimeter of land has been returned to the Somozists or to the native or foreign landowners, not a single confiscated business has been returned to private hands, and not a single bank has been denationalized. There is no chance they will regain a portion of the power they lost forever, nor are there large-scale deals in housing, education, and health or the buying and selling of the people's blood.

They have very little to party about because the mercenary war, the blockade, and other forms of aggression promoted by the imperialists have exposed them as the Yankees' puppets. They directly share responsibility for the more than 50,000 victims caused by the aggression and the $10 billion in losses that are affecting our economy.

How can the guardsmen, their political allies, and LA PRENSA be happy when their bosses have spent more than $2 billion to finance them, and in 7 years they have not been able to take a single town, prevent the institutionalization of the people's power and democracy, or become a real political alternative? How can they celebrate the mercenary inefficiency that has led to their loss of aid and has left their boss at the White House worse off with the signing of Sapoa?

The only recognizable achievement they can boast of is that they allowed themselves the privilege of discrediting the United States, which is quite a lot. It is impossible for the contras, their allies, and their sponsors to celebrate when despite all their efforts to destroy the economy and the people, the revolution has become a granite block against which all of their betrayals and attacks have been shattered.

True. There is nothing to celebrate. While the contras destroy each other and are on the verge of collapse, our Armed Forces are closing ranks and consolidating the unity between the people and the military. While the rightists and the COSEP [Higher Council of Private Enterprise] scream against the revolution, the revolution is consolidating itself and deepening its democracy, with them, without them, and despite them.

U.S. Ambassador Melton can very well exhibit himself at the decrepit COSEP offices and even write editorials in his newspaper—that is what he pays so well for—further proving the political and moral bankruptcy of his pupils. This is no longer the golden era of [former U.S.] Ambassador Shelton, however. The national holiday will only be another bitter moment at the country club, because the enemies boasted that the holiday is their greatest symbol. That is why the 9th anniversary symbolizes their crashing political and military fall. Nine years of revolution hurt, and defeats are not celebrated.

Government To Subsidize Workers' Basic Products

PA0807024088 Managua Radio Sandino in Spanish 1200 GMT 7 Jul 88

[Text] Commander of the Revolution Daniel Ortega Saavedra, president of the Republic, yesterday announced that the government will supply bags with basic products to more than 160,000 salaried workers every month at very low prices.

He explained that with this measure, which will last until December, state workers on the 1-14 scale will be able to buy 10 pounds of rice, 10 pounds of beans, and 5 pounds of sugar with 5 percent of their monthly salary. Meanwhile, employees on the 15-32 scale will be able to purchase the same amount of products with 10 percent of their monthly salary. This subsidy will also benefit Defense and Interior Ministry fighters, disabled veterans, and retirees. This bag of products that will be subsidized has a market value of 2,400 cordobas. This economic measure will therefore benefit all salaried Nicaraguans.

In other words, workers on the lowest scale, or the 1-14 scale, will pay 5 percent of their salary—that is, 32 cordobas—for this bag of basic products. Those on the highest scale will pay 978 cordobas for those products.

Panama

FDP Spokesman Views Relations With U.S. Forces

PA0807034188 Buenos Aires REUTER in Spanish 0238 GMT 8 Jul 88

[Text] Panama City, 7 Jul (REUTER)—A Panama Defense Forces [FDP] spokesman said today that contacts between the FDP, headed by General Manuel Antonio Noriega, and the U.S. forces continue as stipulated in the 1977 canal treaties, despite the growing tension between the two countries.

Major Edgardo Lopez said during a telephone conversation with REUTER that relations between the two forces have been difficult since February, when Panamanian authorities asked for the withdrawal of the U.S. Southern Command from Panamanian territory.

The Reagan administration has been backing and encouraging the demands of some Panamanian sectors that want Noriega, who used to be a close Washington ally, to step down.

Lopez explained that relations between the FDP and the U.S. military forces continue to be conducted in accordance with the canal treaties, adding that a level of respect and professionalism is being maintained.

The FDP officer thus answered statements made to REUTER by General Frederick Woerner, commander in chief of the U.S. Southern Command, the United States' general headquarters in the region. Woerner said that relations with the FDP had virtually ceased.

"His assertions that there are no relations between the U.S. military stationed in Panama and the FDP are true in the sense that Panama does not recognize or want this foreign body called Southcom to be among us," the Panamanian military man said.

"However, the coordination agreed to under the 1977 Panama Canal treaties does exist in areas such as the [words indistinct] others."

"In the recent past, the Panamanian Armed Forces maintained respectful and professional relations with the U.S. military contingent stationed in Panama," he said.

PDC Reportedly Plans Subversive Activities

PA0707114788 Panama City Televisora Nacional in Spanish 0000 GMT 7 Jul 88

[Text] The DENI [National Department of Investigations] office in Chiriqui has arrested Jose Manuel Castillo Santiago on charges of engaging in activities to discredit the Panama Defense Forces [FDP]. Castillo accused Jose Domingo Torres, assistant mayor of David and [regional] president of the Christian Democratic Party [PDC], of paying him to carry out the campaign and asserted that the PDC has weapons to conduct subversive activities. Here are the statements Castillo made to our correspondent Wilfrido da Silva:

[Begin recording] [Da Silva] Manuel Castillo, to what extent is it true that Jose Domingo Torres and Teofilo Rios, PDC leaders in Chiriqui, have used you to discredit Major Luis del Cid and the FDP?

[Castillo] It is true that they paid me to discredit the FDP and Maj Del Cid. I was to pose as Maj Del Cid's son and supposedly make donations and other things that would never materialize or be done. Also, I was to give false reports to the FDP.

[Da Silva] Did they offer to pay you for your activities

[Castillo] That is right. They offered me 300 balboas and said I would get more after I presented a report on what I had done. The only thing they gave me for my personal protection was a .38-caliber Smith and Wesson gun.

[Da Silva] What was that for?

[Castillo] The gun was supposed to be for my protection in case any FDP member tried to arrest me. This was my protection. This is the only protection they gave me.

[Da Silva] What else did they [words indistinct] besides the 300 balboas?

[Castillo] They told me that if anything happened they would ask me to travel outside the country, to keep me from being questioned if anything like this happened.

[Da Silva] It is also known that PDC leaders in Chiriqui are distributing firearms to carry out subversive acts. How true is this? Do you know about this?

[Castillo] I was present at a party meeting and they said they had already given the weapons to their party members. I do not know what kind or how many, but it is true that they said the weapons had been delivered to party members.

[Da Silva] Did the PDC leadership in Chiriqui intend to use you in activities to disrupt peace in the province?

[Castillo] They tasked me only with this job; that is, to discredit the FDP. They not only hired me but were going to hire other young men. These young men were not sent to do their job because the PDC people realized on Friday that I had not arrived and was not with these boys. So they held up the boys and did not send them out thinking I had been arrested but I was in [words indistinct].

[Da Silva] Did they make any threat against your life or anything else in the event you were arrested, which has in fact happened?

[Castillo] Yes. They said if I was arrested I did not know them, they did not know me, and I did not know any party member. That if this happened and I told on them I should face the consequences. In other words, they threatened me, and, in this regard, I ask for assistance from the FDP to protect myself because, as you can see, this is quite serious. [end recording]

Solis Condolences on Death of Delvalle's Mother

PA0707151988 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Jul 88 pp A-1

[Condolence message dated 6 July sent by Manuel Solis Palma, Panamanian minister in charge of the Presidency, to Raul Delvalle, Panamanian legislator and brother of Eric Arturo Delvalle, on the death of Delvalle's mother in Miami, Florida, on 6 July]

[Text] Honorable Legislator and Mrs Raul Delvalle and family: On behalf of my wife, the national government, and myself, I wish to express our most heartfelt condolences over the deep sorrow afflicting your family. I also wish to assure you of the wholehearted support of the Panamanian Government in facilitating the transfer of your mother's [Abigail Henriquez de Delvalle] body, the holding of the funeral, and the attendance [at the funeral] of all of her children and other relatives and friends who wish to accompany you at this sad time.

Manuel Solis Palma, Minister in Charge of the Presidency

Argentina

Alfonsin Signs Secret Decree; Army Benefits

PY0707185288 Buenos Aires BUENOS AIRES HERALD in English 7 Jul 88 pp 1, 20

[By MLL]

[Text] President Raul Alfonsin signed a secret decree upholding questionable privileges enjoyed by Army intelligence, the HERALD has learned. The measure lends its support to three secret decrees signed by military presidents which authorized security forces to carry out covert money-making activities without having to report their sources of income to state auditors.

These privileges, still in effect, include complete secrecy as to how and how much intelligence earns from business activities, which in theory are unlimited.

Intelligence has also used its authority to offer security services to state companies, charging a minimum 12 percent of the contract in all cases where it has acted simply as a middleman, subcontracting the work out to private companies.

State auditors have said Intelligence, through its Production Department, a body created specifically to make money for intelligence activities, was breaking the law by subcontracting work to private companies when it was supposed to provide the entire service itself.

A government lawyer who asked not to be identified said that if Alfonsin was aware of this procedure that he, as Armed Forces Chief-of-Staff, should be held responsible for the violation.

Though the National Accounting Tribunal on various occassions between 1982 and 1984 noted this violation, Alfonsin on September 12, 1985 signed Secret Decree 1774 which upheld the business practices used by Army Intelligence.

In the forward to the decree, Alfonsin stated he was signing the measure in order to clear up "doubts about the interpretation" of a secret decree signed in 1983 by then President Reinaldo Bignone two months before the general left office. The Bignone decree included Army Intelligence within secret decrees from 1956 and 1969 which allow security forces to engage in clandestine money-making activities.

A lawyer familiar with the case described Decree 1774 as a means of "clearing those implicated in irregular procedures." And the existence of the Production Department "assures the military funds even if the government were to stop its budget allotments," he said.

The Alfonsin and Bignone decrees, based on concepts within the national accounting law, authorize Army Intelligence to "provide goods and services" to state agencies without going through public tenders.

The National Accounting Tribunal and the National Administrative Investigations Bureau have found that Army Intelligence violated this law by sub-contracting the work out to private interests.

Bureau Assistant Prosecutor Roberto Sola, backed by Bureau Chief Ricardo Molinas, has taken the case to the Federal Appeals Court, defending the Bureau's position with observations made by the Accounting Tribunal.

The Bureau emphasized that it was not questioning how Intelligence spends money "but the secrecy of its sources of income."

The Bureau also questioned Alfonsin's action, criticizing "the complacent attitude of the Executive Power which, through Decrees 2883/83 (Bignone) and 1774/85, has approved the continued operation of the Production Department."

Its case rests on a proposed contract between Intelligence and national casino authorities to transport casino funds to the bank. Before the Accounting Tribunal began to investigate and the deal was stopped, Intelligence had decided to subcontract the work to a private company while retaining its commission.

The Tribunal questioned the legal grounds of the deal several times. It suggested the Production Department was "a simple intermediary" which would mean unnecessary spending because of the commission. It also questioned the fact that the Department did not have to report to state auditors and that it lacked legal status.

Army Intelligence defended itself saying that, in the casino deal, the physical transport of funds was the only part of the service subcontracted out.

It argued too that its own resources accounted for just 0.24 percent of its total spending, the rest coming from special funds provided by the government. In 1983, the official funds totalled 30.6 million dollars, Tribunal sources say, leaving just 72,000 dollars in revenue earned by the Department through its business deals.

But Intelligence itself provided information which places its claim in doubt. Defending the legal status of the Department, Intelligence said the Department's "function is to carry out civilian and commercial activities with the objective of financial self-sufficiency."

The Investigations Bureau noted that it this were true then the 0.24 percent in self-generated revenues would seem a "meager sum" for a Department which claimed to employ 250 people and handle 40 contracts a month.

One contract alone revealed by the Bureau was worth 276,000 dollars - suggesting that the Department's own sources of income may be substantially more than 72,000 dollars.

The Tribunal stopped questioning the Department's practices when Alfonsin signed Decree 1774 but the Bureau has continued with the case in court. It is now before the Federal Appeals Court, after Federal Judge Martin Irurzun last month refused to raid Intelligence offices in search of incriminating evidence.

Irurzun argued that the Bureau itself was empowered to carry out the search. But Sola in his appeal countered that Intelligence would have used the question of state secrets to keep him out. In that case, he said, only judges may order raids in cases involving state secrets.

President Alfonsin Addresses Stock Exchange

PY0807021488 Buenos Aires Domestic Service in Spanish 2302 GMT 7 Jul 88

[Speech by President Raul Alfonsin at the Buenos Aires Stock Exchange on the occasion of its 134th anniversary—live]

[Excerpts] [Passage omitted] Argentina's development, its growth, the overcoming of all the obstacles that hinder its development, the overcoming of the current crisis—all are directly and decidedly subject to what each and everyone of us is willing to do to place Argentina back on the right path. One cannot support the efffort of the Argentine people with impatience, speeches, or apocalyptic words. Each of us is making a tremendous effort, but espcially those with low incomes, because we are confronted with a crisis which mainly affects those who have less. But no sector or social class is free from the effects of the crisis we have been enduring for some time and which, under the present circumstnaces, only seems to be getting worse—as if putting us to the test.

However, I am fully convinced that the measures we are taking—even if they may cause inflation to rise somewhat temporarily—are designed precisely to do away with that inflation. [passage omitted]

This is our fifth visit to the stock exchange. Next year, when we pay our sixth visit, we will only be a few months away from the end of our mandate. I am convinced that next year we will not only be able to talk about the definite consolidate of Argentine democracy, but that I will also be able to visit this building and tell you that we have consolidated the correct and precise path toward national economic recovery. [passage omitted]

I am certain, and I hope I am not mistaken, that during the last quarter of this year we will have a single-digit inflation rate, because this is what we have planned, because this is how we have calculated our budget, because we will adhere to our budget, because we are determined to take the necessary measures without trying to make any kind of profit, and because we are certain that the efforts made by the Argentine people for so long cannot go to waste. This is the way we want to work and this is how we feel: supported by all the good willing people of our country, regardless of their economic position, their ideologies, their jobs. [passage omitted]

I have been fortunate to share the company of men—some of whom are no longer with me—who have been mainstays of Argentine democracy. I am proud to have a cabinet that marches with us and that, in addition to striving to strengthen democracy, doubles its efforts to find a solution to each problem that arises. I am particularly proud—and want to mentioned it here tonight—to be accompanied by an economic team that intellectually and professionally speaking is the best to be found in our country or abroad. This team, in addition to not being committed to any sectorial interest and to having always made an effort within the framework of a commitment to the poor, has implemented every measure necessary for the well-being of the entire country.

We must support all those men who are working for the well-being of all Argentine people. We need the support of each and everyone of you. We need to realize jointly that the future will be the result of a common effort. I am counting on your support. I am sure that in a few months we will start to witness the results of the great effort we are making.

Next year, when I visit the stock exchange accompanied once again by Minister Juan Sourrouille, we will be able to pay to him—here at the Buenos Aires Stock exchange—the homage he deserves from the entire Argentine people.

Thank you very much. [applause]

Alfonsin Meets Italian Vice Foreign Minister

PY0707210688 Buenos Aires TELAM in Spanish 1625 GMT 7 Jul 88

[Text] Buenos Aires, 7 Jul (TELAM)—President Raul Alfonsin today received Italian Vice Foreign Minister Giorgio Bonalumi, who expressed his confidence that congress would soon approve the Argentine-Italian Economic Agreement now being considered by the Senate.

During the meeting today at the government palace with Bonalumi, Alfonsin referred to bilateral relations between the two countries.

Bonalumi attended the meeting with Italian Ambassador to Argentina Incisa Di Camerana and Italian Senators Mario Fioret, Guido Gerosa, Mario Stojan Spetich, and Lorenzo Strik Lievere.

Also present were Italian Deputies Mario Campanna, Vicenzo Ciabarri, Alessandro Duce, Hugo Intini, Germano Marri, and Mirko Tremaglia.

Seven Officers Sent Into Retirement

PY0707215488 Buenos Aires LA PRENSA in Spanish 7 Jul 88 p 11

[Text] Bahia Blanca, (NA)—It has been learned here that a total of seven subordinate officers from different units in the country, who were punished for acts of indiscipline during the January 1988 incidents, have been classified as "unqualified to perform duties proper to their rank," and sent into retirement.

These officers are: Captain Oscar Bare of the 37th Infantry Regiment, headquartered in Rio Mayo [Chubut Province]; Captain Miguel Megias of the Corrientes Infantry Regiment; First Lieutenant Daniel Ricotti and Lieutenant Alejandro Reynoso of the 22d Mountain Infantry Regiment, headquartered in El Marquesado, San Juan Province; Lieutenant Julio Centero of the 17th Infantry Regiment, headquartered in Catamarca Province; Lieutenant Carlos Romero of the 20th [Mountain] Infantry Regiment, headquartered in San Salvador, Jujuy Province; and Lieutenant Fabian Cannarsa of the 16th Infantry Regiment, headquartered in Uspallata, Mendoza Province.

The report, which was published by the Bahia Blanca newspaper La Nueva Province, states that the decisions were made 2 weeks ago when the Army promotions board met in Buenos Aires.

ROK Envoy on Relations, Immigration, Olympics

PY0707021888 Buenos Aires TELAM in Spanish 1606 GMT 6 Jul 88

[Text] Kim Kyong-Won, roving ROK ambassador and special envoy of ROK president No Tae-u, asserted that bilateral relations are very satisfactory but, noted that there is still much room to increase mutual investments and the application of technology.

The ROK ambassador made this statement during a news conference at a hotel in downtown Buenos Aires, during which he spoke of his meetings with President Raul Alfonsin, Foreign Minister Dante Caputo, and the main Argentine political leaders.

The ambassador said that the implementation of a democratic government in his country and the fact that the Olympic games will be held in Seoul are two favorable elements to promote South Korean relations with Argentina and Latin America. He also said he was sure that bilateral relations could be strengthened.

When asked about the immigration of Koreans to Argentina, Kim Kyong-Won said that President Alfonsin had welcomed this immigration to Argentina and added that his government will promote this immigration, always recommending that Koreans who adopt the Argentine culture and respond to the welcome they are given by this country.

In this regard the roving ambassador mentioned that a group of 20 South Korean businessmen had visited Buenos Aires last week with the strong intention of establishing themselves in Argentina to make investments in the fishing field, where they are already working with enterprises of a "joint venture" [preceding words in English] type.

The ambassador ended by stating that his country will make a great effort to make the Olympic games—that start on 17 September with the participation of 160 countries—a great success. The participation of so many countries represents a record in the history of the Olympics and a true festival of peace and friendship among people.

In this regard, he said, this will be an opportunity for countries of varied ideologies, including the Soviet Union and the PRC, to compete in the various sports.

Caputo Meets Beninese Ministerial Delegation

PY0507183488 Buenos Aires TELAM in Spanish 1644 GMT 5 Jul 88

[Text] Buenos Aires, 5 Jul (TELAM)—Foreign Minister Dante Caputo and the members of the Beninese delegation, headed by Foreign Affairs and Cooperation Minister Guy Landrey Hazoume, today held their second work meeting at the ministerial level.

During the meeting, they discussed topics related to strengthening bilateral relations, particularly regarding the sale of isotopic raw materials to be used in sanitation and agrarian research.

At 1730 this afternoon, Minister Hazoume will meet Economy Minister Juan Sourrouille at the Economy Ministry.

Charges Filed Against Candidate Angeloz

PY0707173188 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1626 GMT 7 Jul 88

[Text] Buenos Aires, 7 Jul (NA)—Former de facto president Leopoldo Galtieri today filed criminal charges against Eduardo Angeloz, presidential candidate of the Radical Civic Union, because he reportedly said that "a general under the influence of alcohol" decided to recover the Malvinas.

In the charges filed before Federal Judge Juan Fegoli, Galtieri, who is serving a sentence for the Malvinas war defeat, asked that Angeloz get the stiffest sentence established by the law for insult, slander, and for publicly accusing him of being "the drunken general" who had "the disastrous idea of retaking the Malvinas Islands by force."

Party Leader Officially Launches Campaign

PY0707152688 Buenos Aires DYN in Spanish 1136 GMT 7 Jul 88

[Text] Buenos Aires, 7 Jul (DYN)—Alvaro Alsogaray, Alliance of the Center presidential candidate, has said that Argentine problems are the result of "an old-fashioned system that has been used to govern the country for 40 years." He also said there is no possibility of "modifying or patching" this system. "Therefore," he said, "we propose to replace it" by a system that will "enable us to adequately re-organize the country's economy and to atract capital."

Alsogaray made these remarks during a ceremony last night, when he officially launched his presidential campaign and that of Alberto Natale, vice presidential candidate of the Progressive Democratic Party. The ceremony, which was attended by some 2,500 people—some of whom paid 10 australes for their seats—was held at the Obras Stadium.

He pointed out: "Many people now use liberal language, which is sometimes so exaggeratedly liberal that, comparatively, I feel like a socialist." He added: "Nothing will change before the elections, but, if the people vote well, we will manage to make the country progress a lot faster than many people would believe possible."

"We are playing a major role in these elections," Alsogaray said. Concluding, he said the 1989 elections "will offer the first real opportunity to vote for an alternative liberal-centrist group."

Public Works Minister Attacked by 'Mobsters'

PY0607174588 Buenos Aires BUENOS AIRES HERALD in English 6 Jul 88 p 11

[Excerpt] [NA-DYN] Public Works Minister Rodolfo Terragno was once again attacked on Monday night by a group of mobsters who accused him of being "a sell-out" and threw garbage at his car.

The incident took place three days after the minister suffered a similar attack by oil workers in La Plata.

In Monday's attack, some 50 oil and telephone workers waited for Terragno outside the Stock Exchange building in Santa Fe Province—where he was to meet some 200 local businessmen for a talk on privatization—and threw several bags full of garbage at his car. They shouted slogans accusing him of serving British interests.

Explosives brigade officers and other specialized security agents tried to divert the protesters' attention from the arrival of Terragno's car, but it was to no avail, as he was quickly spotted. No arrests were made and the minister was able to give his talk.

Upon arriving in Cordoba City on Monday, Terragno said that during the La Plata incident some of his attackers were chanting the Peronist anthem, a fact which he asked the Justicialist Party to explain.

While in Cordoba Terragno met a group of labor and political leaders from the so-called committee for the defence of national assests to discuss oil policies and privatizations.

Terragno considered it "legitimate" for State Oil Company (YPF) workers to be skeptical about plans in this area because "past policies have indeed been demanding to national assets."

He insisted that he is willing to discuss the reforms undertaken by the government but warned that "those policies will not be changed by the agression of violent minorities." [passage omitted]

Bolivia

Minister Announces Program for Coca Regions

PY0707140088 La Paz La Red Panamericana in Spanish 1130 GMT 7 Jul 88

[Text] Foreign Minister Guillermo Bedregal Gutierrez has said that the government will implement an overall development program for the coca growing regions.

Bedregal indicated that the government is not planning to eradicate coca crops without having first made, and implemented, an overall development plan. He added that Bolivia, which is a large coca producer, will be able to fight drug trafficking more effectively following the approval of the new law on controlled substances.

Bedregal said that the people who believe that the new law will jeopardize the stability of approximately 500,000 (?families) are politically biased, and that the real situation is different.

Bedregal also said that the peasants who grow coca should not worry because the government will implement the agreements signed in June 1987, under which the coca growing regions will be helped. He added that the government is not under any internatinal pressure, and it is not responding to the two (?agreements) signed with the U.S. Government. He admitted that there is some delay in getting the U.S. financial aid to eradicate coca but he said that the program in general has enough support.

COB Coca Adviser Warns Against New Bill

PY0707164388 La Paz La Red Panamericana in Spanish 1130 GMT 6 Jul 88

[Text] COB adviser (Joseph Mittelbaum) has warned of the danger of including the substitution of coca crops by eradication in the bill that Congress will review today. He noted that this provision is at odds with agreements reached on 6 June 1987 and on 5 February 1987.

Regarding the danger of implementing such a bill, Mr (Mittelbaum) said:

[Begin (Mittelbaum) recording] This bill could have serious impact in the future because under no circumstances does it guarantee the replacement of the coca economy as a whole. This means that a number of areas in the country will be attacked. Three levels have been identified: legal production, transition production, and illegal production.

In this regard, the only new thing in the MACA [Ministry of Agricultural and Peasant Affairs] bill is that illegal growers would have a 1-year deadline in which to replace their [words indistinct] crops and that the growers would be paid a sum of money upon reaching a replacement agreement.

Nevertheless, in the bill it is also admitted that the Under Secretariat of Alternative Development [Subsecretaria del desarrollo alternativo], itself, does not have the funds to actually replace the coca economy. [end recording]

Thus, (Mittelbaum) added, this bill is just an eradication bill because it has a number of contradictions. It claims on one hand that there are no funds, and on the other hand that plans have been made to eradicate 8,000 hectares yearly.

(Mittelbaum) said: If the plan is implemented, it will involve an eradication period of at least 9 years. He added that it is up to the COB to warn that this situation will result in the deterioration of the social status of the coca growers because they will not be raising just one crop.

Elaborating on this point, (Joseph Mittelbaum) said:

[Begin (Mittelbaum) recording] If herbicides are used in certain cases, as it has been in the past, other crops could also be totally defoliated and many areas would be subject to an ecological disaster for a 7-to-10-year period. [end recording]

In conclusion, (Joseph Mittelbaum) said that under this bill, 80,000 families would be affected initially and up to (?130,000) families could eventually be affected.

Law Harmful to Production

PY0707033988 La Paz La Red Panamericana in Spanish 0000 GMT 7 Jul 88

[Text] The COB has announced at a press conference its decision not to accept the Controlled Substances Law. During the past hours the COB Executive Committee met to evaluate the bill approved by the Chamber of Deputies. In analyzing this law, the COB Executive Committee found provisions that are detrimental to coca production. One of them is the article stating that a maximum of 12,000 hectares will be allowed for coca crops.

The COB leaders said this article implies that the government can allow smaller areas only on the condition, favorable to foreign interests, that 12,000 hectares are not surpassed. Therefore, coca planters and workers in general will continue their mobilization.

Although the government has gradually paid attention to the workers' demands, the COB has continued to promote politically motivated mobilizations.

Brazil

Texaco Abandons Exploitation of Oil Well

PY0707142588 Sao Paulo VEJA in Portuguese 6 Jul 88 p 49

[Text] A promising oil well, whose discovery President Jose Sarney announced through a national hookup at the beginning of June, will not be exploited. On 1 July, Texaco's Superintendent General Ray Barton decided to definitely abandon the 1-BV-IPA oil well at Breves in the Marajo Island. When the support column [coluna de sustantacao] broke, not even the tests to prove the existance of oil could be concluded. In 2 weeks' time, Texaco will begin to drill its second well in an area of Curralinho County, which it is exploiting under a risk contract with Petrobras.

Government To Grant Amnesty to South African

PY0607143388 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 5 Jul 88

[Text] The Brazilian Government will grant political amnesty to South African guerrilla Abule Magasi, who, a month ago came secretly to Bahia on a ship. Acting Justice Minister Jose Fernando Eichenberg, who was merely waiting for some data from the South African Immigration Post, announced the government's decision to grant Magasi amnesty.

Chile

Minister Calls on Opposition To Consider Ideals

PY0707144288 Madrid EFE in Spanish 0718 GMT 7 Jul 88

[Text] Santiago, 7 Jul (EFE)—Chilean Interior Minister Sergio Fernandez has called on the democratic opposition to consider the fact that their ideals are closer to the government than to the socialist proposals. He also admitted that the regime is not perfect and that it must make changes.

The call made by Fernandez, who is the cabinet chief of the Pinochet regime, was aimed at the rank-and-file of the Christian Democratic Party [PDC], the Social Democratic Party, and the Radical Party. These parties are currently opposing the military regime which has been in power for almost 15 years. They are also advocating the no-vote in the upcoming plebiscite.

Speaking in a luncheon to a business group, Minister Fernandez said that the opposition is headed by Socialist leaders that are the same people who supported the 3-year administration of Socialist President Salvador Allende, who was overthrown by the Armed Forces on 11 September 1973.

Fernandez said that if the current opposition someday comes to power, the Socialists will "take complete control over the government," and that the "will of the people" will disappear. He predicted that the same thing which happened to the democratic parties in Nicaragua will occur in Chile. He pointed out that those parties which opposed Somoza are now opposing the Sandinista regime.

Supporting his theory, Fernandez gave the example of "the large Christian Democratic and Social Democratic Parties of the FRG and Italy where they have been governing for 40 years as champions of political and economic freedom, and opposing Marxism."

Fernandez admitted that during the practically 15 years of military regime "not everything has been perfect, a great deal should have been and must be rectified, a lot more reconstruction should have, and must be done. There is still a great deal to be done."

However, this morning during a working breakfast with a youth group which supports his government, Chilean President Augusto Pinochet labeled the opposition leaders as "bandits on the loose," and said that former PDC foreign minister Gabriel Valdes was "useless as a foreign minister."

In previous speeches Pinochet has said that opposition leaders are "traitors who have accepted money from abroad," and that "they are a group of obsolete politicians."

European Parliament Decision Called 'Grotesque'

PY0507184288 Santiago Domestic Service in Spanish 1700 GMT 5 Jul 88

[Text] The Foreign Ministry has labeled as despicable and grotesque the decision made by the European Parliament, which unanimously decided that the upcoming plebiscite in Chile should be an occasion for all Chilean democratic parties to jointly express their rejection of President Augusto Pinochet.

This information was provided few minutes ago by Foreign Ministry spokesman Carlos Ducci. He said:

[Begin recording] The Foreign Relations Ministry believes that the European Parliament, with unexplicable thoughtlessness, has approved a proposal by French Socialist Deputy Saby on the economic and political Chilean process, as one of the many resolutions approved by that organization in each of its sessions on the internal situation of various countries.

Considering that the members of this parliament, who approved the resolution, are ignorant of the Chilean institutional process, and who have a distorted view of the Chilean reality, this unusual effort to discredit the Chilean process by interfering in Chilean internal affairs is despicable. We find it grotesque that an organization which is supposed to comprise very intelligent people expressed an opinion which does not correspond, either in form or essence, to the most basic norms of international coexistence.

As it has been repeatedly stated, Chile will continue to carry out its process of economic, social, and political development which will lead the country to democracy based on the exclusive will of Chileans who will always reject foreign intervention. [end recording]

This is the statement released by Foreign Ministry spokesman Carlos Ducci regarding the European Parliament resolution, which has also created a special mission to visit Chile as foreign observers during the upcoming plebiscite.

Official Comments on Decision

PY0707123388 Santiago Television Nacional de Chile in Spanish 0130 GMT 7 Jul 88

[Text] Jaime Lagos, director of the Foreign Ministry Bilateral Policy Department, has asserted that the recent resolution of the European Parliament regarding Chile is contradictory to the opinion that prevails throughout that continent on the Chilean situation.

The government official reported on the meetings held during his recent visit to Europe, where he met with authorities of the FRG, Belgian, Spanish, French, British, and Italian Foreign Ministries. He said that he discussed various subjects of bilateral interest with these European authorities.

Lagos also said that during these meetings he learned the positive opinion that is held by European authorities about the Chilean economy and said that the country is mentioned as an example of one that honors its debts and, therefore, deserves international respect.

Regarding the Chilean institutional process, Lagos said that the European authorities are well informed about it and believe that important steps have been taken. He added that, without seeking to interfere, they voiced their hopes that Chile will continue to consolidate its search for a full democracy.

When asked about the recent resolution of the European Parliament, which criticizes the Chilean situation, Jaime Lagos asserted that that organization does not set the foreign policies, nor does it reflect the positions or opinions of the European governments.

Military Judge on Objectives of Rebel Groups

PY0607231588 Santiago EL MERCURIO in Spanish 27 Jun 88 pp A-1, C-4

[Excerpts] Military Judge Fernando Torres has said the links between the PCCh and the Manuel Rodriguez Patriotic Front [FPMR] reveal that the PCCh's only objective is to begin a civil war in Chile, and that its decision to support the no-vote at the plebiscite is a diversionary tactic aimed at preventing its possible isolation.

"Proof of this is the weapons smuggling, murders, and other actions of the FPMR which, as everyone knows, is the PCCh's armed branch. The call to support the no-vote is a screen being used to fulfill its objective, which is to promote a fratricidal struggle in the country," he said.

In an interview with EL MERCURIO, Torres said that he is hearing four cases involving FPMR national and regional leaders and "combatants" of the Communist Youth [JJCC]. Torres specifically referred to the political aspects of the cases he is investigating.

Torres said all Chileans have repudiated the PCCh, which "has promoted terrorism at the national and world levels," and which is responsible for—among other actions—the attempt on President Pinochet's life and the abduction of Commander Carreno.

The judge described the creation of the FPMR, its internal division, and the ideological indoctrination work it has begun among the people. [passage omitted]

Concerning the "revolution of the FPMR commander," which took place in Cuba at the end of 1987, and which resulted in a division of the FPMR into a Castroist faction and a pro-Soviet faction, Torres said: "The FPMR, which was engaged only in military actions (violent, armed struggle) realized that its failures outnumbered its successes. The PCCh was also criticized, and this had political effects, because it made it impossible for the PCCh to form alliances with other leftist parties, some of which are allegedly democratic."

Torres added that "the PCCh tried to isolate itself from the FPMR and to move away—from a tactical viewpoint—from this organization. The PCCh, however, suddenly realized that its 'baby' had grown too much. This led to a family crisis, in which some are openly in favor of the pro-Soviet PCCh course (a political-military approach), while others support the military approach. The military approach seeks to promote total subversion and to render Chile into an ungovernable country through armed methods."

Torres stressed that up until 1986 the FPMR followed a "single course" in which arsenals were smuggled into Chile for the urban guerrillas and for armed confrontation. "This dream was frustrated in Carrizal Bajo and turned into a nightmare with the failure of the attempt on the president's life. The FPMR, which had overestimated itself, saw things for what they really are," he added.

The judge said this led to a split between a sector that wants to wait "until the enemy makes a mistake, and the belligerent youths, who want to accelerate the process. This is the current situation within the FPMR."

Despite this division, Torres noted, both factions maintain links with the PCCh. "The pro-Soviet or political-military faction is trying to make the rank-and-file, the various sectors, and the population realize that it is necessary to organize the defense. I say they are trying because I am not sure whether they have already fulfilled their objective. This is what they are doing, but we have not yet seen the results," he said. [passage omitted]

Labor Leader Questions Motives Behind CUT

PY0707204688 Santiago Radio Chilena Network in Spanish 1700 GMT 7 Jul 88

[Excerpt] Manuel Bustos, president of the National Workers Command, harshly criticized the Communists' motive for creating the Sole Central Confederation of Workers, CUT, and their assertion that class struggle would be among its goals.

[Begin Bustos recording] The interests of workers are above petty infighting, above the interest of some groups that want to prevent its creation, above the dictatorship's repeated accusation that CUT will be pro-Communist or will only serve the Communists, and above some fellow Communists' attempt to smear it.

Workers interests, including those of Communist workers, are above the dictatorship's wishes, above the intention of some Communists—or members of other parties—to use them.

I believe workers first want to end the dictatorship definitively, and then to talk about the old and obsolete concepts and about the principles on which CUT is to be founded.

What we want is a wokers' organization capable of fulfilling its historic role and helping to end the dictatorship. We do not want an organization for throwing mud at each other, even though some parties are seemingly more interested in this than anything else. [passage omitted] [end recording]

Police Detain FPMR Leader Escobar

PY0707191688 Santiago Domestic Service in Spanish 1700 GMT 7 Jul 88

[Text] Police have reported the detention of another leader of the Manuel Rodriguez Patriotic Front, which is the armed branch of the proscribed Communist Party. The leader has been identified as Victor Hugo Manuel Escobar, who is charged with controlling 11 subversive operations in Santiago.

Escobar was detained by Investigative Police personnel, who reported that he controlled operations in southern Santiago. Escobar's commando comprises members of the so-called Rodriguist Militia, identified as Jorge Villanueva Perez, Max Pardo Ramirez, and two unidentified women.

Police seized weapons and cash that Escobar was carrying, and placed him in the custody of the First Military Court.

Nine Held in Attempted Bombing; Three Injured

PY0607204288 Santiago Radio Chilena Network in Spanish 1700 GMT 6 Jul 88

[Text] Nine people detained under suspicion of taking part in a bomb attack are being held in various Jose Maria Caro police precincts. Their identities are being checked, and an investigation will determine whether they took part in an incident that occurred early this morning. During the incident, two criminals and a Carabinero were injured.

Injured were Ricardo Octavio Caceres Castro, who was shot in the back of the neck and is in extremely serious condition, and Vladimir Rojas Nunez, who was wounded several times.

As reported this morning, the injured policeman was identified as Fernando Hector Romero, a member of Carabineros Special Force.

The incident took place at the intersection of Linea Ferrea and Plano Regulador Streets in Maipu.

At 0445 this morning, 8 to 10 people were placing a powerful bomb at Post 51 of the railroad's power lines, when a carabineros picket on a routine patrol unexpectedly appeared. When the Carabineros bus neared the site, the criminals opened fire on the Carabineros. In the resulting action, two criminals and a Carabineros corporal were injured.

During the shoot-out three criminals escaped in a taxi and two others sought shelter on foot near the Jose Maria Caro slum.

According to police sources, the criminals left behind a package with 5 kg of ANFO [ammonium nitrate fuel-oil blasting agent], which they were about to place at the post.

Carabineros Corporal Fernando Hector Romero was superficially wounded in the head and was taken to the Carabineros Hospital. The two other injured people were taken to (Barro Luco) Hospital and are being kept under surveillance.

Some 10 blocks from the site of this incident, a subversive was shot when he reacted to policemen who were patrolling Central and (Pasaje Chacao) Streets in the Jose Maria Caro slum.

The policemen, who were passing in a patrol car, stopped a man and asked him to show his documents. The man took a small gun from his pocket and shot at the Carabineros, who shot back and injured him in the knee.

The injured subversive, who was unofficially identified as Braulio Patricio Rojas, was taken to the (Barro Luco) Hospital.

Bomb Damages Municipal Building in Santiago

PY0507133388 Santiago Domestic Service in Spanish 1030 GMT 5 Jul 88

[Text] Terrorists detonated 2 kg of TNT in a municipal building in Santiago last night. The explosion occurred in the municipal public works building at the intersection of 21 Mayo and Santo Domingo Streets. There were no casualties.

The police reported that the bomb was time-activated and was left in a hole near the third-floor elevator during working hours. The explosion destroyed doors, windows, office furniture, and the elevator.

The bomb created alarm among the population. A passersby said that it was a powerful explosion and caused great panic. People did not know whether to stay inside the building or go out into the street. This is how terrorists destroy what the government builds.

Colombia

Government Willing To Talk With M-19

PA0707165588 Bogota Cadena Radial Super in Spanish 1230 GMT 7 Jul 88

[Text] The Colombian Government yesterday confirmed its willingness to talk directly with Dr Alvaro Gomez Hurtado's kidnappers, but it condemned M-19 terrorism and blackmail in holding him hostage to gain national attention for its political plan.

Senator Discloses Proposals

PA0707192688 Bogota Inravision Television Cadena 1 in Spanish 1738 GMT 7 Jul 88

[Text] Social Conservative Party Senator Alvaro Leiva Duran today disclosed the M-19 proposals for the release of Dr Alvaro Gomez Hurtado, who was kidnapped 37 days ago.

The conservative leader spoke with Antonio Navarro Wolf of the M-19 in Panama City. Here is a report by Jesus Garzon:

[Begin recording] [Garzon] An agreement in principle for Alvaro Gomez Hurtado's release was reached between the Conservative Party and the M-19. Former Minister Alvaro Leiva Duran reported this today after he held a meeting with Navarro Wolf, a leader of the M-19 group, which kidnapped Gomez Hurtado 37 days ago.

According to Leiva Duran, Navarro Wolf and Carlos Pizarro Leon Gomez are among the M-19 leaders. Leiva Duran said that he has met with the M-19 in Mexico and Panama five times. In these meetings, he said, they discussed national politics.

The M-19 has demanded that the negotiations for Gomez Hurtado's release take place in order to make human rights in Colombia a success. The subversive movement demands a dialogue with an open agenda to discuss the country's problems before it releases Gomez Hurtado.

[Leiva Duran] We are on an excellent path. We have not negotiated the country's Constitution and laws. On the contrary, we are simply establishing the right environment to obtain Gomez' release.

One of the things that worried Navarro and caught him by surprise was the minister's trip to Cuba. The minister had said that he was not willing to talk with terrorists.

[Garzon] Leiva Duran said that he will meet with the M-19 again within the next few days. [end recording]

Businessmen Reject Dialogue

PA0707231888 Paris AFP in Spanish 0525 GMT 7 Jul 88

[Text] Bogota, 6 Jul (AFP)—The first obstacle to the national dialogue sponsored by the political parties in Colombia appeared today when the business sector rejected the guerrilla movement's participation in the talks.

Following the kidnapping of politician Alvaro Gomez, the ruling Liberal Party, the opposition Conservative Party, and the left-wing Patriotic Unity (UP) began contacts with all social and economic groups to prepare strategies to help counter the increasing wave of violence.

Within the framework of nationwide contacts, the industrialists today said they disagree with the political leaders, who said they are willing to begin talks with all rebel groups. The industrialists said the M-19 could participate, provided it releases Gomez, who has been in captivity 37 days. The industrial, business, construction, banking, and agriculture sectors today said: "We can only talk with those who abide by the Constitution and laws."

Labor groups in the production sector do not share the powerful businessmen's views. The labor groups advocate the rebels' participation in the national dialogue, which already includes the workers and Catholic Church and will extend to other sectors in the near future.

ELN Attacks Pipeline Near Sogamoso

PA0707193388 Bogota Inravision Television Cadena 1 in Spanish 1735 GMT 7 Jul 88

[Text] The Army of National Liberation [ELN] has carried out an attack on the Barrancabermeja-Bucaramanga pipeline when it dynamited a stretch of this pipeline located at km 25 near Sogamoso. Here is a report by Teresa Rueda:

[Begin Rueda recording] A large quantity of gasoline and [word indistinct] was spilled as a result of an attack on the Bucaramanga-Barrancabermeja pipeline. These products began burning yesterday afternoon, and the fire continued this morning.

The valves and pumping lines from Lisama to the downtown area were closed as soon as the attack occurred because they were affected by the fire.

At this time, the Colombian Petroleum Enterprise Operations Superintendency is beginning studies to replace the stretches that were burned and to restore the pipeline.

This incident will surely make gasoline supply in the capital of Santander Department more difficult. [end recording]

Venezuela

President Delivers Independence Day Speech

PA0707194888 Caracas Venezolana de Television Canal 8 in Spanish 1316 GMT 5 Jul 88

[Speech by President Jaime Lusinchi at the National Congress on the occasion of Independence Day—live]

[Excerpts] [Passage omitted] Today's date—5 July 1988—is particularly important to me, both personally and politically. Of course, it is also special for the entire country, and this is most important.

This is a year of transition, my last year in office, and a year in which the country totally and enthusiastically engages in electoral activities. Coincidentally, 1988 also marks 30 years of Venezuela's democratic system—an open and pluralist system whose possibilities for expansion and modernization we are testing. There should be no doubt that we will calmly and consciously succeed in this endeavor. We will have a more modern and participative democracy, and this agrees with our ideas and our people's feelings.

We are experiencing great difficulties, the most challenging of which are linked to international economics. These difficulties are peculiar to a world order that offers few possibilities of being rationally reformed. There are very few options within the current world scenario. We seem to be limited to a predetermined arena. There does not seem to be a great difference between meeting our obligations and failing to meet them. Theoretically speaking, paying or not paying our obligations would bring the same result. We have

not viewed our position in this way, however. We have tried to preserve our country's good standing. This certainly makes it easy for others from within to question our actions. Abroad, however, Venezuela is regarded as a country that has ridden out the tempest while keeping its balance. [passage omitted]

During 1988, we will eagerly discuss government policies. We will look for past and current defects. Some defects will probably be exaggerated, and there will be some of us who will speculate that different measures would have been better. I am not going to jump to conclusions. There is a time for everything, and the time for conclusions will come. This is the time for political debate, and it is a good time. One cannot think of an election process without controversial issues. This is the essence of democracy, of our system—a system that will remain dynamic as long as we remain critical. [passage omitted]

Our political campaigns are lengthy, true, but they are also conducted in a civilized fashion. Neither ardor nor passion have run out of control. This is another fact that gives us national pride. The government does not participate in the elections. The Supreme Electoral Council fully exercises its authority. The national Armed Forces fulfill, in line with the law, a significant and fundamental role.

These conditions represent an achievement that guarantees impartiality and purity. Some of our system's critics, who benefit from a freedom in which they do not believe, lack equanimity and therefore cannot acknowledge the good things we have. They have no imagination, and many of their arguments and predictions are almost grotesque. [passage omitted]

In 1989 we will face various complex problems. The entire country knows this. Therefore, it is logical to expect to see the candidates centering their debates on alternatives and possible solutions. If anyone happens to deliberately lie to destroy the reputation of others and thus confuse the people and the voters to obtain votes, he would be acting wrongly, very wrongly.

True politics is more demanding than that; it calls for commitment. In being a politician, one commits to seeking excellence. [passage omitted]

I said at the beginning that the country's most severe difficulties are related to other countries of the world.

We commemorate an important anniversary in our history today because we became an independent nation on 5 July 1811. This is why today is a suitable day to discuss our international policy, a discussion we have been holding for a number of years. Foreign policy has been a fundamental factor in our democratic process. Consequently, we have devoted as much attention as possible to our foreign policy during this term. We have affirmed basic principles, such as respect for the sovereignty of states, the protection of human rights, the peaceful settlement of disagreements, respect for treaties, the search for an international system based on economic equity and justice, the struggle against drug traffic, and cooperation between states and peoples.

At all times, the steps we have taken regarding our foreign policy have responded to the national interest. Our policy has been that of our country, not of a particular party. At all times, we have tried to protect Venezuela's permanent and fundamental interests, because this is a country with a well-defined sense of solidarity and coexistence. We have devoted special attention to supporting the democratization process in our region. We regard the validity and consolidation of democracy in Latin America as particularly important, not only because of our peoples' desire for liberty, but because of the international respect this region requires to increase its capacity for dialogue and diversify its relations.

On our continent, and precisely because of this democratic desire, we have found a favorable climate for executing a policy of genuine Latin American and Caribbean understanding. Democratic coexistence has made possible the appearance of a common language. We held a presidential meeting in Acapulco in November 1987 within the permanent mechanism for political consultation and agreement. I am convinced this has been one of the most important events in Latin America. For the first time, we, the Latin American presidents, met without being convened by a foreign country. From now on, we will meet every year and every time circumstances so demand.

This is more than an experience. This is a step toward goals and purposes of greater scope. We will hold the next presidential meeting in Uruguay in late October. These meetings enable us to think, reach agreements, and, finally, advance toward the integration and consolidation of Latin America. [passage omitted]

The Acapulco meeting expresses what we might describe as Latin America's position on various issues. This ranges from the Central American crisis, an agony that is extended in the midst of contradictions; to the foreign debt problem, still unsolved by the great power centers; to what we regard as a priority of the region: the region's integration and the intensification of commercial, scientific, and cultural exchange among the region's countries.

This meeting also represents a determination to support the necessary agreement between collective regional action and national interests, on one side, and the urgent need, on the other, to reinforce our capacity for worldwide influence, not for confrontation, but to pave the way for an international agreement for our peoples'

good. Both in this and other forums, we have have made every effort to point out the need to reorganize and reform the world's economic system. We do not seek privileges. We seek equity and fairness. We do not need discrimination, protectionism, or barriers that will create obstacles to our transactions.We want to mention certain alarming signs in the region. The transition to democracy in some countries has temporarily failed. Perhaps these countries were not backed sufficiently by those who were expected to back them. Maybe they just let things happen, with incredible blindness. Democracy seems to be in danger in other countries that are harassed by economic crisis and conflicts. We do not look indifferently on this panorama. Democracy has its own raison d'etre in Latin America. We are particularly concerned over the situation in Central America, where conflicts sometimes conceal other realities. We are deeply concerned over Haiti and Panama.

Nevertheless, optimism prevails in the world's politics. This optimism is due mostly to detente and a new capacity for negotiation of the big powers, that is to say, the United States and the Soviet Union. We have to hail this climate with optimism and faith in the common sense of both countries' leaders. There is no doubt that this detente between the big powers must also occur among the world's other countries. As the result of this detente, the most favorable conditions for international cooperation and trade should exist. We hope this detente and negotiation on strategic weapons can lead to other agreements, lower the number and importance of confrontations, and introduce an era of greater coexistence, trust, and respect between states and peoples.

The world is tired of words. We hope all this can lead to an international policy based on respect, nonintervention, cooperation, and solidarity among nations. This is what Venezuela desires, and this is what I proclaim in the name of our country on the solemn commemoration of another anniversary of our independence. [applause]

New Candidate Registers for Elections

PA0707034488 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 5 Jul 88

[Report by Diana Iturriza]

[Excerpts] Proclaiming his commitment to implement a democracy based on the Bible, Dr Godofredo Marin was officially registered at the Supreme Electoral Council as a presidential candidate. The presentation of Dr Godofredo Marin, a 41-year-old chemical engineer, researcher, and evangelical minister was made by Hector Rincon, national coordinator of the Authentic Renewal Organization Party. [passage omitted]

After formally completing the registration process, Godofredo Marin delivered a 19-page speech in which he says that he will win because of two reasons: his faith in God, and his campaign team. Marin also outlined his legal, social, and economic positions.

Following this, Marin gave a news conference in which he said that the final confrontation during this election will definitively be between him and Democratic Action presidential candiate Carlos Andres Perez. Neither COPEI [Social Christian Party] nor the left wing will stand a chance in the election, he said. Marin harshly criticized the accuracy of the polls conducted thus far. [passage omitted]

Minister Denies Guerrillas Regrouping

PA0407182588 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 4 Jul 88

[Text] Interior Affairs Minister Jose Angel Ciliberto has denied reports regarding the regrouping of guerrillas. He said a band of common criminals operating in Anzoategui is trying to disguise its activities as subversive when in reality they are harassing the peasants in that area. Minister Ciliberto said everything is under control and there is nothing to worry about.